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FURTHER REPORTS ON BUCHAREST CEMA SESSION

Council Committee Meetings

AU060828 Bucharest AGERPRES in English 0002 GMT 6 Nov 86

[Text] Bucharest AGERPRES 5/11/1986 -- The works of the 121st meeting of the CEMA Executive Council and of the 39th meeting of the CMEA Committee on Collaboration in Planning were held in Bucharest on November 5, 1986, attended by the permanent representatives of CMEA member countries in the Executive Committee, deputy heads of government and chairman of central planning bodies of CMEA member countries.

During the meetings, tasks were set on how to carry into effect the resolutions endorsed by the session of the Council for Mutual Economic Assistance and problems concerning the deepening of cooperation and collaboration in material production were approached.

Trade Fair Visit

AU052041 Bucharest AGERPRES in English 1850 GMT 5 Nov 86

[Text] Bucharest AGERPRES 5/11/1986 -- The governmental delegation between the 42nd meeting of the Council for Mutual Economic Assistance session visited, on November 5 in the day, the Romanian pavilions at the Bucharest International Trade Fair.

Romanian Prime Minister Constantin Dascalescu accompanied the guests, who showed interest in product performance, in the possibilities to boost and diversify goods deliveries and production specialization and cooperation in production set on mutually profitable bases. They also praised the Romanian industry and highlighted the high quality noticed in the respective sectors, which provides conditions for a broad bi- and multilateral cooperation.

Delegates Depart

AU060827 Bucharest AGERPRES in English 0010 GMT 6 Nov 86

[Text] Bucharest AGERPRES 5/11/1986 -- Several delegations that attended the forty-second session of the Council for Mutual Economic Assistance left Bucharest Wednesday November 5.

Flying out were the delegations of Bulgaria, Czechoslovakia, Cuba, GDR, Hungary, Poland, USSR.

Yugoslavia's delegation and the representative of the Republic of Nicaragua also departed.

At the Otopeni Airport, the delegations were seen off by Constantin Dascalescu, Romania's prime minister, and other officials.

Communique Issued

For the 6 November Moscow PRAVDA account of the communique of the CEMA session in Bucharest, see page BB 4 of the Communist Relations section of the 7 November Soviet Union DAILY REPORT.

'INTERCOSMOS' MEETING ENDS IN SOFIA 4 NOV

AU050851 Sofia BTA in English 2148 GMT 4 Nov 86

[Text] Sofia, November 4 (BTA) — The 19th session of the heads of the national coordinating agencies of the countries participating in the "Intercosmos" programme was held here from October 30 through November 4. It was attended by delegations of Bulgaria, Vietnam, the GDR, Cuba, Mongolia, Poland, Romania, the USSR, Hungary and Czechoslovakia.

The session discussed the results of the joint research and experiments in the 1985-1986 period in the field of space physics, meteorology, biology, medicine, communications and remote probing of the earth. The important "Venus-Halley's Comet" international project has been successfully completed. The "Vega 1" and "Vega 2" ships carried out direct observations of Halley's Comet. These yielded unique scientific results related to determining the form and size of the core of the comet and its composition.

A unique "Geoex-86" aero-space experiment was carried out in June this year on GDR territory for studying the dynamics of different types of geosystems by means of remote probing methods. The "Inland Water Basins" experiment for working out methods for studying water basins from space, such as the Rybinsk reservoir in the USSR, for instance, has also been successfully completed.

Cooperation in the preparation of new space research is continuing within the "Intercosmos" programme. The Sofia session discussed measures for applying the scientific results in the economies of the participating countries.

In their statements before journalists the participants in the session pointed out that it also discussed a number of projects: for studying Mars' satellite photos, for transferring scientific information by means of satellites, etc. Acad. Vladimir Kotelnikov, vice-president of the Academy of Sciences of the USSR, said: "Intercosmos' guiding principle is that each country voluntarily makes its contribution to the experiments, that we work jointly, and that all participating countries have access to the results of this work. Now the important projects are related to the "Mir" space station. It differs from the former "Salyut" station in its greater size and in that it gives cosmonauts greater possibilities for work with the equipment and greater comfort. "Mir" has six docking units for ships and apparatus laparatal modules and more energy resource batteries.

GDR'S KLEIBER RECEIVES CEMA DELEGATIONS IN LEIPZIG

AU040533 East Berlin NEUES DEUTSCHLAND in German 30 Oct 86 p 2

[Text] Leipzig (ADN) -- On 29 October Guenther Kleiber, SED Central Committee member, deputy chairman of the Council of Ministers, and permanent GDR representative to CEMA, received in Leipzig the heads of the countries' delegations participating in the 94th meeting of the CEMA permanent commission for cooperation in the coal industry sector.

At the friendly talk Guenther Kleiber reported on the multifaceted initiatives of the GDR working people to implement the 11th SED Congress resolutions and to fulfill the tasks of the national economic plan. He referred to the far-reaching aims regarding the development of the GDR's brown-coal industry and the economical use of this important energy resource. The close cooperation of the CEMA countries in the development and application in the national economy of new, highly productive processes of coal mining contributes to creating the material-technological bases for the further dynamic economic growth of the CEMA member-countries.

ACTIVITIES SURROUNDING VIENNA CSCE MEETING

Varkonyi Meets Genscher

LD060928 Budapest MTI in English 0622 GMT 6 Nov 86

[Text] Vienna, November 5 (MTI) -- Hungarian Foreign Minister Peter Varkonyi, currently attending the European follow-up meeting in Vienna, Wednesday met Hans-Dietrich Genscher, foreign minister of the Federal Republic of Germany. The foreign ministers exchanged views about issues related to the Vienna meeting, and stressed that amidst the present international conditions, it is indispensable to maintain the relation, and to continue the talks on major issues awaiting solution. Both sides voiced the demand to progress in the field of arms control and disarmament. The foreign ministers reviewed the relations of the two countries, and stated that those usefully fit into the European process of security and cooperation.

Peter Varkonyi also met Sten Andersson, foreign minister of Sweden. They exchanged views about certain issues of the international situation, and examined possibilities of further developing relations between the two countries.

Orzechowski Meets Counterparts

LD051024 Warsaw PAP in English 0631 GMT 5 Nov 86

[Text] Vienna, Nov. 4 -- Poland's Foreign Minister Marian Orzechowski, who has come to Vienna for the CSCE meeting, met today with Austrian Foreign Minister Peter Jankowitsch to discuss prospects of the meeting and some aspects of bilateral relations.

Both ministers voiced their governments' wish for the Vienna meeting to pass in a constructive spirit and end to the advantage of a peaceful future in Europe.

Both ministers also expressed a positive assessment of the current state of bilateral relations and the will to use all the possibilities to develop them.

Minister Orzechowski's meeting with Canadian Secretary of State of External Affairs Joseph Clark focused on international issues with special regard to favourable possibilities created by the Vienna meeting.

The ministers also discussed some aspects of bilateral relations, pointing to still existing reserves and possibilities. Minister Clark accepted an invitation to pay an official visit to Poland.

Minister Orzechowski also met with Dutch Foreign Minister Hans van den Broek. Talking about the beginning of the Vienna meeting, the ministers agreed it was necessary to obtain constructive results. They also touched on the basic issues of bilateral relations, expressing interest in their favourable development. Minister Van den Broek accepted an invitation to pay an official visit to Poland with pleasure.

Dizdarevic, Jankowitsch Meet

LD052349 Belgrade TANJUG in English 2110 GMT 5 Nov 86

[Text] Vienna, November 5 (TANJUG) -- Yugoslavia and Austria will at the Conference on Security and Cooperation in Europe (CSCE) Vienna session make a call for the European non-aligned and neutral countries to table their own initiatives, without waiting for the proposals from the blocs, Yugoslav Foreign Secretary Raif Dizdarevic and Austrian Minister Peter Jankowitsch set out during their meeting today.

Postively assessing the opening of the CSCE, the two sides pointed out that the fact that nearly all speeches to date contained also the proposals for promoting the CSCE process was indicative of the intention to reach concrete results. Bizdarevic and Jankowitsch assessed positively Yugoslav-Austrian relations and voiced the readiness for the promotion of economic relations. It was underlined that both Yugoslavia and Austria will devote special attention to the upgrading of relations between Yugoslavia and the EFTA member-countries.

The Yugoslav foreign secretary welcomed the readiness of the Austrian Government for all the questions relative to the position of the Yugoslav minorities in Austria to be solved with the participation of representatives of these minorities.

POLISH OFFICIAL ADDRESSES HELSINKI CONFERENCE

LD032110 Warsaw PAP in English 1915 GMT 3 Nov 86

[By PAP correspondent Tomasz Walat]

[Text] Helsinki, Nov. 3 -- A two-day conference on security and cooperation of European centrist, liberal, and agrarian parties, also called "mini-CSCE" wound up in Helsinki today.

Opening the plenary session today, member of the Presidium of the United Peasant Party CC, vice-president of the Council of State Tadeusz Szelachowski said that a UPP delegation was taking part in this meeting because it is convinced that its character and frank discussion are conducive to the implementation of a new mode of thinking, being the most important factor of solving problems of the contemporary world, and that it is a significant current of European cooperation.

The speaker recalled that 30 years will have elapsed next year since the announcement of the Rapacki plan, which had been Poland's significant contribution to building peace in Europe. Next, Tadeusz Szelachowski presented some aspects of international economic cooperation and the related economic security. He presented the idea submitted by Poland's President of the Council of State Wojciech Jaruzelski concerning a free transfer of licences and technology used in evironmental protection. Our parties should consistently try to hold in Europe, within the CSCE process, a European ecological conference, Szelachowski said.

Referring to peace initiatives of socialist states, Tadeusz Szelachowski submitted Poland's offer to organize a meeting of CSCE member-states in Warsaw on the 50th anniversary of the outbreak of World War Two. The meeting should be devoted to crucial political and economic issues of our continent with a view to consolidate detente and cooperation in Europe.

Among a number of recommendations accepted by the conference were Polish postulates submitted by Wojciech Jaruzelski at the U.N. forum, namely the postulate concerning free transfer of licences and technology, and another one, on creation of an international research centre into debt and development under the auspices of the U.N. secretary general.

The conference ended in full success, according to president of the final session of the debates Finnish Foreign Minister Paavo Vayrynen. Participants in the conference adopted a joint communique on consensus basis including an appeal for tightening cooperation in preventing threats to mankind.

AWP CONGRESS PROCEEDINGS CONTINUE 5-6 NOV

AU061315 Tirana ATA in English 1300 GMT 6 Nov 86

["At the 9th Congress of the Party of Labour of Albania" -- ATA headline]

[Text] Tirana, November 5 (ATA) -- At the afternoon sitting, which opened at 1630, the congress passed onto the third item of the agenda. Comrade Nexhmije Hoxha, who presided over the sitting, gave the floor to the member of the Political Bureau of the Central Committee of the party and chairman of the Council of Ministers, Comrade Adil Carcani to deliver "The Report on the Directives of the 9th Congress of the Party for the 8th Five-Year Plan (1986-1990) of the Development of the Economy and Culture of the People's Socialist Republic of Albania".

The report by Comrade Adil Carcani was listened to attentively and was frequently punctuated by the applauses for our glorious Party of Labour, its Central Committee with Comrade Ramiz Alia at the head.

The 9th congress of the party continues its proceedings.

Report on 5-Year Plan

AU061328 Tirana ATA in English 0730 GMT 6 Nov 86

["From the Report 'On the Directives of the 9th Congress of the Party for the 8th Five-Year Plan (1986-1990) of the Development of the Economy and Culture of the People's Socialist Republic of Albania' submitted to the 9th Congress of the PLA by the Chairman of the Council of Ministers Comrade Adil Carcani" -- ATA headline]

[Text] Tirana, November 5 (ATA) -- The 9th Congress is a marked event for the party and the whole Albanian people. It is being held on the eve of the jubilee of the 45th anniversary of the founding of our glorious party, with a rich balance of victories and a steel unity of the people around the party and its Central Committee headed by Comrade Ramiz Alia, Comrade Adil Carcani said among others.

For us, the Communists and people of Albania, this congress we are holding is the first without the glorious founder and leader of the party, the architect of Socialist Albania, Comrade Enver Hoxha. But his brilliant revolutionary work, his immortal Marxist-Leninist teachings, are alive and will live through the centuries, they pervade the proceedings of this congress from start to finish and, as always, will inspire and guide us in the future battles of the socialist construction.

The report "On the Activiy of the Central Committee of the Party of Labour of Albania and the Tasks for the Future", which Comrade Ramiz Alia delivered to this congress makes a profound sceintific analysis and summing-up of the revolutionary experience of a very important period of the work and struggle of the party and people for the construction of socialism, relying entirely on our own forces. It is a great program of work for the organs and organizations of the party, for the organs of the state and the economy, for the organizations of the masses, and for our entire people, on the road of the complete construction of socialist society.

The Socio-Economic Development of the Country During the 7th Five-Year Plan Has Advanced in Conformity With the Directives of the 8th Congress of the P.L.A. [subhead]

Further on, speaking of the main achievements in the fulfillment of the targets of the 7th Five-Year Plan (1981-1985) for the Development of the Economy and Culture, Comrade Adil Carcani stressed:

The 7th Five-Year Plan was a major test for our party, our people and our socialist country, because it was the first plan which was drafted and applied relying entirely on our own forces and internal resources, without any aid or credit from abroad.

Analysing the results of the 7th Five-Year Plan, we reach the conclusion that the socio-economic development of the country during this period has advanced, in the main, in conformity with the directives of the 8th Congress of the PLA. Our economy strengthened its characteristic features of a dynamic economy, which is developing in a planned way and with stable rates, without the crises and inflation, the unemployment and the rising cost of living, which are phenomena typical of the bourgeois-revisionist world.

During the 7th Five-Year Plan, in comparison with the 6th Five-Year Plan, Comrade Adil Carcani pointed out further on, the social product increased nearly 19 per cent, the national income more than 16 per cent, and the total financial revenue of the state more than 17 per cent, over the five years taken together, a total of more than 21 thousand million leks, or approximately as much as was invested from 1956-1970, was invested. About 200 thousand new jobs were opened up in town and countryside. The extended socialist reproduction was ensured without interruption, and on this basis, the well-being of the people was guaranteed and raised higher and the defence capacity of the country was strengthened.

During the 7th Five-Year Plan, too, industry has been the most dynamic component in the complex development of the economy. About 45 per cent of the volume of investments carried out in this five-year plan was used for the further extension and strengthening of industry, giving priority to heavy industry, as a powerful factor in the harmonious and proportional development of the economy and the implementation of the principle of self-reliance. Compared with the 6th Five-Year Plan, industrial production increased 27 per cent, at an average annual rate of 5 per cent.

Great attention was paid to the energy industry which was had and will continue to have great importance for the independent and stable development of the economy. During the 7th Five-Year Plan the production of electric energy increased 46 per cent and of coal 48 per cent.

During the 7th Five-Year Plan important underground assets were brought into the economic circulation of the country in larger proportions. The extraction of chromite, copper and iron-nickel ores, taken together, amounted to more than 14 million tons, compared with about 10 million tons in the 6th Five-Year Plan, while the total industrial production of the extraction and processing of these minerals increased 71 per cent.

The engineering industry fulfilled the needs of the country better with spare parts, machinery and equipment, increasing the production of spare parts 50 per cent and that of machinery and equipment 54 per cent, compared with the 6th Five-Year Plan.

During the 7th Five-Year Plan, the chemical industry, the building materials industry, and the timber and paper industry were further expanded and increased their production and, in general, fulfilled the tasks of the plan.

The light and food-stuffs industry, which increased production of consumer goods 19 per cent, also, developed in harmony with heavy industry. Beside the increase in production in light industry, the range of products was expanded and their quality improved. The food-stuff industry coped better with the absorption and processing of agricultural and livestock products, and new lines and factories for the preserving of fruits, vegetables, grapes, etc., were built.

During the 7th Five-Year Plan, Comrade Adil Carcani said further on, about 30 per cent of the total volume of investments was used for the development of agriculture and the strengthening of its material-technical base. During these five years, too, its development has been characterized by the application on a more extensive scale of new developments of science and technique, of advanced experience, and by the raising of the cultural and professional level and the mobilization in work of the cooperativists and other workers of this basic branch of the economy. Consequently, the production of field crops for the five years taken together increased 17 per cent.

Further development was recorded in livestock-forming, too.

During the 7th Five-Year Plan, the Investments and Construction Work Responded to the Targets of the Plan for the Development of the Economy and Culture. [subhead]

During the 7th Five-Year Plan, the investments and construction work which were made mainly in the productive sphere responded, in general, to targets o. the plan for the development of the economy and culture and the strengthening of the defence capacity of the country, the speaker pointed further on. More than 300 important works were handed over for use.

Numerous investments were made for land improvement and systemalization, for increasing the irrigation capacity and the level of mechanization of agricultural work, for the development of livestock-farming, fruit-growing, etc. As well as these, 142 socio-cultural objects, such as schools, houses of culture, sport palaces, hospitals, etc., were built.

The volume of goods transported increased nearly 21 per cent, or 3300 million ton/kilometres more than in the 6th Five-Year Plan. In 1985 railways carried out 45 per cent of the good transported, as against 36 per cent in the 6th Five Year Plan. There was development, also, in transport abroad by sea and road.

During the past five-year period, the volume of exports and imports in foreign trade increased further and improvements were made in their structure. In 1985, as against 1980, the total volume of exports increased by about 29 per cent.

The Further Raising of the Well-Being of the People Has Been the Main Direction of the Economic Policy of the Party [subhead]

Dealing with this problem Comrade Adil Carcani said:

The maintenance of the level achieved and the further raising of the well-being of the people, the narrowing of distinctions between towen and countryside have been the main directions of the economy policy of the party during the 7th Five-Year Plan, too. The purchasing power and the real income per head of the population further increased, both in town and countryside. The turn-over of retail goods increased 20 per cent in 7th Five-Year Plan as against the 6th Five-Year Plan.

The stability of prices on the market was maintained, and not only were there no increases but some prices were further reduced with a total annual gain for the working people of 130 million leks. More than 75 thousand new houses and apartments were built in town and countryside. Communal services and repairs increased 33 per cent.

The party has always dealt with the well-being of the people from the stand-point not only of the fulfillment of their material needs, but also of the allround cultural development of the working people for the present and the future. The fund of social consumption during the 7th Five-Year Plan increased more rapidly than the increase of population. In 1985 the number of secondary school and university students increased by 10 per cent, as against 1980. The network of education, cultural, health and other institutions was further extended. A special expression of the continuous concern of the party for the health of mother and child was the extension of maternity leave, along with the taking of a series of other measures for the strengthening of the prophylatic health service and the extention of the outpatient service. As a result of all these things, the infantile death-rate was reduced by more than 40 per cent. The average life expectancy is more than 71 years and in February 1986 the population of the country reached 3 million inhabitants.

The Fundamental Task for the 8th Five-Year Plan Will Be the Ensurance of the Uninterrupted, Consistent Development of the Economy and Culture at High Rates Relying Completely on Our Own Forces [subhead]

Further on, presenting for examination and endorsement the directives of the 9th congress of the party for the 8th Five-Year Plan of the development of the economy and culture of the People's Socialist Republic of Albania, Comrade Adil Carcani stressed:

Our socialist economy is entering the 8th Five-Year Plan with a more powerful base and with clear objectives and perspectives of development. This five-year plan was drafted on the basis of the invaluable teachings and orientations of Comrade Enver Hoxha.

The draft of the 8th Five-Year Plan has been submitted to a broad discussion of the masses of working people in town and countryside and the tasks which are set in it bear the brand of their real, mobilizing, creative thinking.

Basing itself on the Marxist-Leninist general line of the party and its economic policy to forge ahead resolutely and ceaselessly for the construction of socialism, the Central Committee of the party present these fundamental tasks for the 8th Five-Year Plan: "To ensure the uninterrupted consistent development of the economy and culture at high rates, relying entirely on our own forces, to consolidate and further improve the multi-branched structure of the economy, always preserving the priority development of industry and developing agriculture at rapid rates, to increase the efficiency of production and accumulation through more complete utilization of the material resources and other possibilities of our society, the existing productive capacities, and those which will be added or modernized, to ensure correct ratios for the development of extended socialist reproduction, to carry forward and improve the socialist relations of production, to raise the material well-being and the cultural level of the working masses further and increase the defence capacity of the homeland".

On the basis of the fundamental tasks of the 8th Five-Year Plan (1986-1990), the main indices of the development of the economy and culture in 1990, as against 1985, will increase as follows:

- The social product	31-33 per cent
- The national income	35-37 per cent
- Total financial revenue of the state	37-39 per cent
- Exports	44-46 per cent
- The social productivity of labour	11-13 per cent
- Fundamental investment (in the 8th Five-Year Plan, as against the 7th Five-Year Plan, for the five years taken together)	11-13 per cent
- Real income per head of population	7-9 per cent

These objectives comprise a great program of struggle and work for the economic and social development of the country, for strengthening the stability of our socialist economy and raising the level of its independence and self-action.

Allow me, comrade delegates, Comrade Adil Carcani said further on, in conformity with the orientations of the economic policy of the party and the fundamental directions of the development of the economy during the 8th Five-Year Plan, which were presented in the report delivered by Comrade Ramiz Alia, to present the main tasks for the development of individual branches and sectors of the economy, education, science and culture, for the strengthening of our defence, as well as some of the more important measures which must be implemented for their successful accomplishment.

Industry Will Continue To Develop at Rapid Rates, in Proportional Ways and in Harmony With the Other Branches of the Economy [subhead]

Applying the policy of the party for the construction of the material-technical base of socialism, during this five-year plan, too, industry will be in the centre of attention. It will continue to develop at rapid rates, in proportional ways, and in harmony with the other branches of the economy.

Industrial production in 1990 will increase 29-31 per cent, as against 1985, with an average annual increase of 5.6 per cent. Production of means of production will increase 31-33 per cent, while that of consumer goods 25-27 per cent.

Special care will be taken for the further development and strengthening of the energy industry. Oil and gas will continue to occupy the main place in the energy balance of the country in this five-year plan, too.

Oil extraction in 1990 will increase 33-35 per cent in comparison with 1985 and will be secured mainly from the oil-fields under exploitation at present.

In the conditions when the needs of the economy for sources of energy are continually increasing, the proportion of natural gas and associated gas in the energy balance will be increased, by increasing their use as fuels in industry, agriculture, etc., and as important raw materials for the chemical industry. In 1990, as against 1985, gas extraction is forecast to increase 2.6 fold.

In order to better fulfill the growing needs of the economy for energy resources and to replace liquid fuels with solid fuels, coal production in 1990 will increase 42-44 per cent over 1985.

The production of electric power in 1990, as against 1985, will increase 80 per cent, or over 2.5 times as much as the increase of industrial production. This increase will be secured entirely from the hydro-power stations, by taking further measures to raise the scientific level in the rational utilization of waters and to bring the "Enver Hoxha" hydro-power plant at Koman into full production.

The Industry of Extraction and Processing of Useful Minerals Will Assume Great Development [subhead]

In this five-year plan the industry of the extraction and processing of useful minerals will assume great development and extension the speaker said further on. In 1990, as against 1985, the extraction of chromium ore will increase about 36 per cent, copper ore 42 per cent and iron-nickel ore 29 per cent. Likewise, there will be increased extraction of other minerals, such as phosphorite, quartzite, olivinite, magnezite, bauxite, etc.

Along with the concentration of attention on the extraction of high-grade minerals, the low-grade minerals, also, will be taken into account. To this end, 10 new factories will be built for the enrichment of chromium and copper ores and coal, with a capacity to handle more than 1.8 million tons of mineral per year. In 1990, as against 1985, the enrichment of chromium ore will be increased 79 per cent and the production of concentrate will be almost doubled.

Structural improvements will be made in black and non-ferrous metallurgy, which will lead to ever better fulfillment of the needs of the economy for steel and rolled metal, to increasing income in foreign currency and reduction of imports. In 1990, as against 1985, production of rolled metal will increase 30-32 per cent, blister copper 34 per cent and copper wires 28 per cent.

In the development of non-ferrous metallurgy, attention will be focused on extending the production of ferro-chrome and improving its technology. The increase in the level of processing of chromium ore in the country, which is an asset of great value for the national economy, and the increase of income from it during this five-year plan, makes it essential that, besides the expansion of the existing capacities for producing ferro-chrome, new productive capacities are built in order to increase production of it in 1990 to over 2.2. times more than in 1985. In copper metallurgy, important tasks are presented for improvement of the qualitative indices and increasing the level of recovery of the metal, which in 1990 will be 1.6 per cent higher than in 1985.

Our country has created a powerful engineering industry. During the 8th Five-Year Plan production in the engineering industry will increase over 23 per cent, with the production of spare parts in quantity and quality as its main objective. During this five-year plan the engineering industry will further increase the producion of motors, tractors, (?header)-harvesters, and other machines for agriculture, of aerial transporters, machinery and equipment for the food-stuffs industry, etc.

The intensive development of agricultural production and other branches of the economy at the present stage cannot be achieved without the further strengthening of the chemical industry, the production of which in 1990, compared with 1985, will increase 40 per cent. In particular, the production of chemical fertilizers will be increased by extending the superphosphate plant for this purpose and building a new urea plant in 1990. The building materials industry will assume further development. In 1990 its producion will be nearly 18 percent over the 1985 level.

Whereas in 1990, in comparison with 1985, production in the timber industry will increase 13 per cent.

The Fulfilment of the Needs of the People in the Center of Attention [subhead]

The priority development of heavy industry, as a distinguishing feature of the policy of the party for the socialist industrialization of the country, creates possibilities for the light and food-processing industry, also, to develop more rapidly. The fulfillment of the needs of the people for consumer goods will be in the centre of the attention of the party and our socialist state, as always. In 1990, compared with 1985, the production of light industry will increase 30-32 per cent. The more complete utilization of the existing productive capacities in this branch will be accompanied, also, with the building, extension, reconstruction and coming into use of 16 projects.

In the food-stuffs industry production will increase 30-32 per cent in this five-year plan.

The development of the food-stuffs industry will be better supported with investments. During this five-year period 87 per cent more investments than in the previous five-year period will be made, by building, extension or reconstruction of 74 projects, including 64 new ones, for the production of edible oils, tobacco curing and cigarette production, milk processing, the production of preserved fruit and vegetables, beer, fruit juices, etc.

Agriculture Will Develop on All Fronts and More Rapidly [subhead]

In the whole process of the socialist construction of the country the party has adhered consistently to the Marxist-Leninist economic policy that, in order to have a strong and independent economy, its development must be based both on a powerful complex industry and on an advanced agriculture, Comrade Adil Carcani continued further on. Applying this policy, during the 8th Five-Year Plan agriculture will be developed on all fronts and more rapidly than the other branches of the economy, continuing the course of complex, harmonized intensification of all branches with the aim of consolidating and carrying forward the achievements made to date. In conformity with the orientations given in the report delivered by Comrade Ramiz Alia, during the 8th Five-Year Plan the intensive road of development will be harmonized better with the extensive road, while maintaining the priority of intensification of agricultural production over the whole country.

During the 8th Five-Year Plan agricultural production will increase 35-37 per cent, as against the last five-year plan, with an average annual rate of increase of 6.4 per cent. This will make possible the increase of grain and livestock products at more rapid rates, better fulfillment of the people's needs for eggs, milk, meat, vegetables, potatoes and dried beans, increased production of cotton fabrics, sugar and fats, and greater exports of agricultural products, especially tobacco.

The increase in grain production remains the main task in the 8th Five-Year Plan, too, because this is linked not only with fulfilling the needs of the people, but also with the strengthening of reserves and the food base for livestock-farming. The bulk of the increase of production will be achieved through the increase in yields, especially of maize.

Important measures will be taken, also, to increase production of cotton, sunflower and sugar-beet, mainly from increasing the yields of these crops.

The party has never separated the development of agriculture from that of livestock-farming. The fundamental feature of the development of livestock-farming in this five-year period will be the rapid increase in livestock numbers and the increase of productivity for all types of livestock and in all zones of the country, giving priority to the increase of sheep and goats in the hilly and mountainous zones of the country. In 1990, compared with 1985, the number of sheep and goats will be increased 64 per cent and that of cows 34 per cent.

Our state has made, and in this five-year period will continue to make, important investments in the development of livestock-raising and breed improvement in all kinds of farm animals and birds.

To achieve the objectives set for the development of livestock-raising requires to ensure an ample supply of food, providing a balanced diet all the year round. During this five-year period the yields of forage crops will increase 62 per cent for first crops and 46 per cent for successonal crops.

The large-scale radical improvement of natural pastures and the increase of cultivated mixed pastures, for which during this five-year plan 4 times more funds will be invested than in the 7th Five-Year Plan, constitutes another large reserve for increasing the supply of food for livestock.

Fruit-growing will assume further development in the 8th Five-Year Plan. As against the last five-year plan, production of pip and stone fruit will increase 32 per cent, of grapes 44 per cent, of citrus fruit 42 per cent and olives 77 per cent.

The tasks set in agriculture will be supported with numerous investments which make up about 32 per cent of the total volume of the investments which will be made during the whole 8th Five-Year Plan, not including the investments in other sectors which serve agriculture, totalling about 700 million leks. The investments will be made, first of all, for the systematization and raising the fertility of the land, the building of new irrigation works, the development of livestock-farming, etc.

During the 8th Five-Year Plan, 20,000 hectares of new land will be opened up, because the rapid increase of the population also requires this.

The area of land under irrigation will reach 63 per cent of the arable land in 1990, compared with 56 per cent in 1985. To this end, 980 million leks, or 30 percent more than in the 7th Five-Year Plan, will be invested during this five-year period for the building and bringing into use, step by step, of many irrigation projects, some of them of large dimensions.

The major tasks which are presented for the development of agriculture and livestock-raising during the 8th Five-Year Plan will be guided and supported with a series of studies and generalizations, with the introduction of achievements of contemporary science in production on a more extensive scale.

The Fundamental Investments and Constructions Are Among the Main Factors Which Will Provide Better Guarantees for All the Socio-Economic Development of the Country [subhead]

The fundamental investments and constructions are among the main factors which will provide better guarantees for all the socio-economic development of the country, the speaker said among other things. [paragraph continues]

The mobilization of all material, financial and foreign currency resources enable us to make investments totalling about 24 thousand 450 million leks is the 8th Five-Year Plan. Of this total, about 83 per cent will be used in the field of material production, concentrating the investments, first of all, on the development of heavy industry, the light and food-stuff industry, and agriculture.

During the 8th Five-Year Plan transport will be further extended and its structure improved so that it responds better to the socio-economic development of the country. In 1990, as against 1985, the total volume of goods transport will increase 28-30 per cent, with an average annual rate of 5.4 per cent. Priority will be given to railway transport, which will increase 49 per cent.

During this five-year period transport by sea and the internal waters will increase more than two fold.

There will be further improvements in the post and telecommunications service, also during this five-year period. To this end, their technical base will be strengthened with new systems, going over gradually to automatic inter-urban telephone communication. Communications within the districts, with the centers of the united villages and invididual villages, also, will be extended and improved.

The new perspectives which are opened in the 8th Five-Year Plan create conditions and possibilities for increasing the volume of the circulation of goods in foreign trade. Our economy will develop on the basis of an active balance of foreign currency, in which the increase in the volume of exports will have priority over that of imports. During the 8th Five-Year Plan exports will increase at an average annual rate of 7.8 per cent, while improvements will be made in the structure of export products in which energy products, chromium and tobacco occupy the main place.

The financial resources will be increased rapidly during the 8th Five-Year Plan on the basis of the development of the economy and the increase in its efficiency and profitability. Between 1985 and 1990, the total financial revenue of the state will increase at an average annual rate of 6.8 per cent.

In this five-year plan, too, the attention of the party will be centred on guaranteeing and raising the material well-being and the cultural level of the working masses, Comrade Adil Carcani stressed further on. In 1990, as against 1985, the real per capita income of the population will increase 5.8 per cent in the city and 12.7 per cent in the countryside. This will make possible more rapid progress on the course of narrowing the distinctions between town and countryside. The increase in the real per capita income will be achieved mainly through the full employment of the increase in the active population, the raising of the average pay in the city and income per work-hand in the countryside, the raising of the fund of social consumption and the stability of retail prices.

In 1990, as against 1985, the turnover of retail goods in the state shops and in the agricultural cooperatives will increase 25 per cent. On the basis of the increase in the supply of goods and the purchasing power of the people, the increase in the consumption per head of main food-stuffs and industrial articles has been envisaged.

Repairs and other communal services for the people will increase 43-45 per cent in 1990, as against 1985. Special attention will be paid to communal services, particularly in the countryside, which will be doubled during this five-year plan. During this five-year period 85,000 apartments and houses will be built in town and countryside.

Speaking of the further development of education, culture, literature and arts, etc., Comrade Adil Carcani continued: During the 8th Five-Year Plan, in education the work will be intensified to raise the quality of the ideo-scientific training of pupils and students, to improve their practical abilities, to raise the productivity of the teaching-educational process, and to further strengthen the connection of school with life. Full-time secondary schooling will be further extended and include even greater numbers of pupils, drawing in more than 71 per cent of those who complete the 8-years school by the year 1990. About 15 per cent more new students than in the 7th Five-Year Plan will be admitted to full-time higher schooling and about 21 thousand new higher cadres will be trained.

During the 8th Five-Year Plan important measures will be taken for the further development of the health service. The quality of the health service will be improved, especially in the countryside, so that it can cope better with the problems of prophylaxis and treatment. The rate of infantile mortality will be further reduced, the network of specialized health institutions will be extended and their material-technical base strengthened. Pharmaceutical products will increase about 57 per cent. More thorough measures will be taken to improve the level of hygiene in the country and to protect the environment from pollution.

The System of Management and Organization of Our Economy According to the Principle of Democratic Centralism Has Fully Demonstrated Its Correctness, Sound Marxist-Leninist Content, and Effectiveness [subhead]

Further on, speaking of some main directions on which the attention of the organs of the party, the state and the economy must be concentrated for the accomplishment of the 8th Five-Year Plan, Comrade Adil Carcani said:

The major socio-economic tasks which the 8th Five-Year Plan contains are the materialization of the line and policy of the party on the course of the construction of socialist society. Their successful accomplishment requires major solutions which serve the present and future development of the economy and culture, requires a method and style of work of leadership and organization which must respond to the revolutionary enthusiasm of the masses, encourage and support their initiatives and creative thinking, and must mobil'ze and set in motion all the human, material, financial and foreign currency, scientific and technical possibilities which our social order has and continually creates.

The system of management and organization of our economy according to the principle of democratic centralism has fully demonstrated its correctness, sound Marxist-Leninist content and effectiveness by successfully withstanding the test of time. The foundation-stone of it has been and still is the active participation of the masses in the administration of the economy, in the solution of problems which arise in the course of its uninterrupted development and the accomplishment of the targets of the plan.

The readiness of the masses to carry out the tasks entrusted to them by the party has always been at a high level, but today we are witnesses to a new upsurge of their revolutionary enthusiasm which is being expressed in the many initiatives, pledges and uninterrupted actions which the working people of town and countryside have undertaken in order to accomplish and overfulfil the objectives of the plan in every field of productive and social activity.

We must rely more on advanced experience and make more extensive use of the method of action to accomplish the targets of the plan.

The present stage of the development of the economy and its future makes the raising of efficiency in all branches of the economy a very important task, the speaker said further on. Raising the efficiency of production has always been an objective of the economic policy of the party, but it assumes particular importance at present, because all the targets of the socio-economic development of the country envisaged in the 8th Five-Year Plan will be accomplished by relying entirely on the internal material and financial and foreign currency resources.

After speaking of some problems of the international situation, Comrade Adil Carcani said in conclusion:

The Central Committee of the party is fully convinced that the great objectives which this historic congress is setting us will be realized successfully. The guarantees for this are the consistent Marxist-Leninist line of our party, the immortal teachings of Comrade Enver Hoxha, which will always illuminate and inspire us on our non-stop march ahead, are the lofty patriotism, the marvellous readiness of our people, the farsighted leadership of the Central Committee of the party, with Comrade Ramiz Alia at the head.

6 Nov Morning Session

AU061802 [Editorial Report] Tirana Domestic Service in Albanian at 1410 GMT on 6 November broadcasts a 90-minute report entitled Today at the Congress, dealing with the proceedings of this morning's session of the AWP Congress in Tirana. The announcer states that Piro Kondi presided over the first sitting of the session and that the first speaker in the continuing discussion of the reports delivered to the Congress by Ramiz Alia, AWP Central Committee first secretary, and Adil Carcani chairman of the Council of Ministers, was Besnik Bekteshi, AWP Central Committee Politburo candidate member. Bekteshi reportedly stressed the feasibility of the new 5-year plan, the importance of "improving economic management," "democratic centralism," "the initiative of the masses," and the importance of improving the system of "state control" in various fields were the main themes of his speech.

Bekteshi was followed by Marash Hajati, President of the Union of Journalists, who spoke on the role of the media in propagating the party's ideas and in reflecting and stimulating the role of the masses. Hajati reportedly also stressed the need to improve the quality of journalistic writing in all media.

The next speaker, Hajredin Celiku, minister of industry and mining, reportedly dealt with the plan figures as presented in Adil Carcani's report. He stressed the need to raise the quality of products and production efficiency, to increase exports, to modernize plants and factories, to improve the regular supply of raw materials and fuels, as well as the rational use of materials.

The next three delegates to address the congress represented the districts of Mirdita, Tepelene, and Tropoje, and their speeches dealt mainly with the achievements of their respective districts and collectives.

The announcer says that the congress was then addressed by the leaders of two foreign delegations: by Camile Almeida from Ecuador and by an unnamed delegate from Indonesia.

Simon Stefani presided over the second morning sitting and gave the floor first to Vangjel Cerrava, AWP Central Committee member, who reportedly generally endorse Alia's and Carcani's reports and stressed the importance of raising production efficiency and in, particular, applying modern scientific methods in agriculture. The next speaker, Minister of Communications Luan Babameto, is reported to have dealt with the tasks confronting workers in the transportation sector in the current quinquennium, and with the need for better rationalization and coordination.

Kico Mustaqi, chief of the General Staff, reportedly outlined the efforts made in the Armed Forces during the period between two congresses to implement the party's defense policy. He pointed out that exercises had become more dynamic and intensive, discipline had been strengthened, and the leadership role of the party in the army had been stengthened. "The party," he stated" is watching political and military international developments closely."

The next speaker, Bujar Kolaneci, is reported to have covered the targets set out in the Congress directives for the economy, stressing the creation of 220,000 new jobs, efforts to further raise the well-being of the population, higher productivity, and increased national revenues. The announcer says that the congress was then acquainted with messages of greetings from collectives throughout the country, and was addressed by the leaders of the foreign delegations from Canada (Hardial Bains) and Chile [not named] who generally hailed Albania's achievements under the leadership of Enver Hoxha.

Hekuran Isai, minister of internal affairs, is reported as being the first speaker in the morning's last sitting, which was presided over the Tatjana Zimogjika. Isai endorsed Alia's report and went on to deal with the role and successes of the internal security forces: "Concrete results have been attained," he is quoted as saying, "in questions pertaining to uncovering, preventing, and striking against the activity of the external and internal enemy." After stressing that the security organs are equipped with the the necessary "contemporary equipment," and noting the stengthening of the "leadership role of the party," in the organs of internal affairs, Isai reportedly said that "under the conditions of the powerful party-people unity existing in our country, the enemies have found it difficult to work openly to harm our socialist order." This is why inimical groups in Albania have always been of a "conspiratorial" nature: "The plotter Mehmet Shehu and his band did not catch the party by surprise and turn Albania into a borugeois democracy, as was envisaged in the political program drafted according to the instructions of his masters." In addition to the old enemies who have never reconciled themselves to the people's power, Hekuran Isai is reported as saying, "new enemies are born, people who degenerate in our ranks owing to the vestiges of the past and the outside bourgeois-revisionist pressure." Criminal manifestations in Albanis have declined because efforts are made to save all those who can be saved. He is quoted as saying that "the external and internal enemies are striving to introduce influences, ideas, and concepts which could lead to the degeneration of the people, particularly young people," adding that the party has made every effort to meet this pressure and has defeated it.

The Congress was reportedly then addressed by a delegate from a chrome mining center in Mat District and by Shane Korbeci, minister of foreign trade, the latter speaking about the tasks confronting the foreign trade organs in the current quinquennium. After being greeted by a group of young volunteers working on the new railroad line in northeastern Albania, the Congress was also greeted by Antonio Fernandez, leader of the Peruvian and Marxist-Leninist party, and Eduardo Pires, leader of the Portuguese Communist Party.

The announcer stated that no session would be held in the afternoon and that the next session of the Congress will open at 0700 GMT on 7 November.

CERMONIES, SPEECHES MARK GOSR DATE

6 November Meeting

AU061600 [Editorial Report] Sofia Domestic Service in Bulgarian at 1500 GMT on 6 November carries a live relay of a festive meeting marking the 69th anniversary of the Great October Socialist Revolution, at which Dimitur Stanishev, secretary of the BCP Central Committee, was the main speaker. In his 35-minute speech Stanishev surveys the consolidation of the socialist regime in the USSR and the Soviet working successes. He juxtoposes Soviet foreign policy and the U.S. principles of "neoglobalism" and "hegemonism," and expresses Bulgaria's support of the USSR peace initiatives. Stanishev stresses the importance of disarmament and protecting peace, without touching upon international conflict. Survying Bulgaria's successes, he points out that they are "inseparately connected" with Todor Zhivkov, and stresses the importance of the cooperative agreement signed by Todor Zhivkov and Mikhail Gorbachev in October 1985 in Sofia.

At 1539 GMT the floor is given to Leonid Grekov, USSR ambassador to Bulgaria, who -- speaking in Russian -- dwells on the "fraternal character" of USSR-Bulgarian relations and extolls Bulgarian-USSR cooperation in various areas. In this context he also mentions Todor Zhivkov. He completes his speech at 1551 GMT.

An orchestra then plays the "Internationale," after which the live relay ends at 1551 GMT. The announcer reports the following leaders as having attended the meeting: "Comrades Geogi Atanasov, Grisha Filipov, Dobri Dzhurov, Yordan Yotov, Ognyan Doynov, Pencho Kubadisnki, Petur Tanchev, Stanko Todorov, Chudomir Aleksandrov, Andrey Lukanov, Georgi Yordanov, Grigor Stoichkov, Petur Dyulgerov, Stoyan Markov, Nacho Papazov, Vasil Tsanov, and Emil Khristov."

November Parade

AU070918 [Editorial Report] Sofia Domestic Service in Bulgarian on 7 November carries live relays of the October Revolution Day parade held in Moscow's Red Square and Sofia's 9 September Square. The 27-minute live relay of the Red Square parade in Moscow commences at 0655 GMT and ends at 0722 GMT.

At 0758 GMT a 7-minute live relay of the Bulgarian working people's parade commences from Sofia's 9 September Square. The broadcast is in the form of a dialogue between a male studio announcer and on-the-spot reporter Minkova. Minkova limits her report to a general description of the scene in 9 September Square, where the workers and youths of Sofia are assembled to celebrate Revolution Day in the square, decorated with banners.

Minkova notes at 0659 GMT: "Our party and state leaders are now mounting the tribune of the Georgi Dimitrov Mausoleum, and are cordially greeted by all those present in the square." Loud cheering is heard and bells chime to mark the commencement of the parade at 0800 GMT. Minkova comments that "the square is filled with thousands of young people and sports teams." The Bulgarian national anthem is then played by a band in the square, which is followed by martial music. The live relay ends at 0805.

At 0827 the live relay resumes for 1 minute, in which Minkova briefly describes the progress of the parade of Sofia's workers, stressing that the parade is an expression of the close economic cooperation between the USSR and Bulgaria.

At 0855 GMT the live relay again resumes. Minkova continues to describe the Sofia workers marching past the tribune of the Georgi Dimitrov Mausoleum.

Minkova reports: "The following comrades reviewed this parade from the tribune of the Georgi Dimitrov Mausoleum: Georgi Atanasov, Grisha Filipov, Dobri Dzhurov, Yordan Yotov, Ognyan Doynov, Pencho Kubadinski, Petur Tanchev, Stanko Todorov, Chudomir Aleksandrov, Andrey Lukanov, Georgi Yordanov, Grigor Stoichkov, Petur Dyulgerov, Stoyan Markov, Vasil Tsanov, Dimitur Stanishev, Emil Khristov, and Stoyan Mikhaylov, together with Leonid Grekov, the ambassador extraordinary and plenipotentiary of the Soviet Union." The relay ends at 0858 GMT.

Leaders Greet USSR Counterparts

AU061957 Sofia Domestic Service in Bulgarian 1530 GMT 6 Nov 86

[Greetings message of Todor Zhivkov, general secretary of the BCP Central Committee and State Council chairman, and Georgi Atanasov, member of the BCP Central Committee Politburo and chairman of the Council of Ministers, to Mikhail Gorbachev, general secretary of the CPSU Central Committee, Andrey Gromyko, chairman of the USSR Supreme Soviet Presidium and member of the CPSU Central Committee, and Nikolay Ryzhkov, member of the CPSU Central Committee Politburo and chairman of the USSR Council of Ministers, on the 69th anniversary of the Great October Socialist Revolution]

[Text] Dear comrades, on behalf of the BCP Central Committee, the State Council and the Council of Ministers of the People's Republic of Bulgaria, the entire Bulgarian people, and on our personal behalf we send the CPSU Central Committee, the USSR Council of Ministers, the USSR Supreme Soviet Presidium, the fraternal Soviet people, and you personally most cordial greetings on the 69th anniversary of the Great October Socialist Revolution.

Having triumphed in the name of social justice, construction, and peace, the October Revolution was an event of epochal importance, which determined the general direction and basic tendencies of world development and fundamentally changed its image. Under the leadership of Lenin's party, born in October, the first socialist country passed though harsh tests, acquired great confidence, achieved great successes in socialist construction, and turned into the vanguard of social and human progress.

The Soviet working people are marking the anniversary of the Great October in a new situation, created by the spirit and decisions of the 27the CPSU Congress. According to their character, scope, and revolutionary significance, the course for accelerating socioeconomic development and decisively reconstructing all areas of social life, and the innovative and dynamic activity of the CPSU Central Committee represent a worthy continuation of the cause of October and a creative development of Marxism-Leninism's theory and practice.

Firmly loyal to October's ideas today the USSR is an invincible support of the peoples in the struggle against imperialism's aggressive designs and actions, and to protect peace, prevent nuclear death, and save mankind.

We highly value the large-scope initiatives and bold and constructive proposals of the USSR for progressing toward a nuclear-free epoch in human history as a bright example of new political thought and a wise and responsible attitude by the USSR leadership toward the cardinal international problems.

An inseparable unit of the socialist community, the People's Republic of Bulgaria will further actively contribute to implementing the peaceful strategy of socialism, achieving nuclear disarmament, and preventing the militarization of space, as well as to improving the international situation.

On the day of the 69th anniversary of the October Revolution we stress again that the great importance of the USSR example and experience for modern socialist Bulgaria, and express great satisfaction with the development and high maturity of Bulgarian-USSR relations. Prompted by the indestructible, ancient friendship between our peoples, strengthened by the fraternal alliance between the BCP and the CPSU, Bulgarian-USSR relations are now being enriched by new progressive forms of cooperation. We are convinced that the implementation of the congress' decisions by our two parties will be a substantial contribution to further strengthening comprehensive cooperation and coming together for the benefit of our people, and in the interest of real socialism.

From the bottom of our hearts we wish you, dear comrades, all Soviet Communists, and the fraternal Soviet people new and great successes in putting into effect the course of the 27 CPSU Congress for accelerating the USSR socioeconomic development and the struggle for peace, security and social progress throughout the world.

SECOND BULGARIAN TO PARTICIPATE IN SPACE LAUNCH

AU061621 Sofia BTA in English 1149 GMT 6 Nov 86

[Text] Sofia, November 6 (BTA) -- OTECHESTVEN FRONT announces that a second Bulgarian is scheduled to fly in space during the first quarter of 1988. In a statement published in this paper, Professor Boris Bonev, director of the Central Space Research Laboratory with the Bulgarian Academy of Sciences, announces that the flight of the Bulgarian cosmonaut will last 10 days. The first Bulgarian cosmonaut, Col Georgi Ivanov, flew with the Soviet Soyuz 33 craft in April 1979.

The Bulgarian cosmonaut is scheduled to work on board the Mir orbital station and will fly on the Soyuz TM three-seater spacecraft. Prof Bonev says that a cooperation protocol with GLAVKOSMOS [the Soviet organization responsible for the development and use of space equipment, and the conducting of manned international missions] was signed last August.

The program of techno-scientific experiments to be executed by the Bulgarian cosmonaut will be approved by the end of this year. A group of candidates for taking part in the space flight has already been gathered. Among the prospective cosmonauts is the pilot Aleksandur Aleksandrov who was Colonel Ivanov's back-up for the 1979 flight. The final candidates will be selected by the end of this year and will travel to the Yuriy Gagarin Training Center in the Soviet Union in the beginning of 1987.

SCIENTIFIC COOPERATION ACCORD SIGNED WITH U.S.

AU061617 Sofia BTA in English 1111 GMT 6 Nov 86

[Text] New York, November 6 (BTA correspondent) -- An agreement was signed in Washington DC on scientific cooperation between the Bulgarian Medical Academy and the U.S. health research institutes. The agreement envisages an exchange of visits by scientists, an exchange of information and scientific works in the field of medicine. The document was signed between Academician Atanas Maleev, first deputy minister of public health and president of Bulgaria's Medical Academy, and Dr James Weingarden, director of the U.S. health research institutes.

The Bulgarian delegation headed by Academician Maleev was acquainted with the activities of the U.S. health research institutes. It had a meeting with Dr Robert Windom, undersecretary of health and human services. [as received]

USSR ANNIVERSARY MARKED WITH CEREMONIES

Wreath-Laying Ceremony

LD061313 Prague Domestic Service in Czech 1100 GMT 6 Nov 86

[Excerpts] A solemn event took place at Olsany cemetery in Prague today on the occasion of the 69th anniversary of the Great October Socialist Revolution [GOSR]. [passage omitted] Gustav Husak, general secretary of the CPCZ Central Committee, president of the republic, and Lubomir Strougal, federal premier, conducted a wreath-laying ceremony. Also participating were members of the party's Central Committee Vasil Bilak, Peter Colotka, Karel Hoffmann, Alois India, Milos Jakes, Antonin Kapek, Josef Kempny, Josef Korcak, and Jozef Lenart; candidate members of the Central Committee Presidium Jan Fojtik, Josef Haman and Frantisek Pitra; secretaries of the party Central Committee Josef Havlin and Jindrich Polednik; member of the Central Committee Secretariat Zdenek Horeni; and Jaroslav Hajn, chairman of the CPCZ Central Control and Auditing Commission.

Homage to the memory of the dead heroes was also paid by representatives of the Czech Government, Czech National Council and the Central Committee of the National Front of the Czech SR; the command of the Czechoslovak People's Army, troops of the Ministry of the Interior and People's Militia, and representatives of party and state organs and social organizations of the Prague and Central Bohemian region.

The memory of the members of the glorious Soviet Army was honored in a wreath-laying ceremony by employees of the USSR embassy, headed by Ambassador Viktor Lomakin; representatives of the main command of the Joint Armed Forces of the Warsaw Pact member-states at the Ministry of National Defense; the command of the Central Group of Soviet Forces, headed by Viktor Filonenko, deputy chairman of its central leadership. [passage omitted]

Soviet Reception

LD070851 Prague Domestic Service in Slovak 1900 GMT 6 Nov 86

[Text] Viktor Lomakin, Soviet ambassador to the CSSR, gave a gala reception in Prague today to mark the national day of the USSR, the 69th anniversary of the GOSR. Present at the reception were: Gustav Husak, CPCZ general secretary and president of the Republic; Lubomir Strougal, federal premier; and members of the Presidium of the party Central Committee Vasil Bilak, Peter Colotka, Karel Hoffmann, Alois Indra, Milos Jakes, Antonin Kapek, Josef Kempny, Josef Korcak, and Jozef Lenart; candidate Presidium members of the party Central Committee Jan Fojtik, Josef Haman, Vladimir Herman, Frantisek Pitra; Secretaries of the party Central Committee Josef Havlin and Jindrich Polednik; member of the CPCZ Central Committee Secretariat Zdenek Horeni; and Chairman of the Party Central Control and Auditing Commission Jaroslav Hajn.

Also present were the heads of departments of the party Central Committee, leading secretaries of the regional party committees; deputy premiers of the federal and the national governments; leading officials of the Federal Assembly and of the Czech and Slovak National Council; representatives of the bodies of the political parties and mass organizations of the National Front, the headquarters of the Czechoslovak People's Army; and other figures of Czechoslovak political, public, and cultural life.

Also among the guests was a delegation of Soviet-Czechoslovak Friendship Society, led by Viktor Filonenko, deputy chairman of its central leadership, which is taking part in Czechoslovakia in the 69th anninversary celebrations of the GOSR and opening the month of Czechoslovak-Soviet friendship; representatives of the commander in chief of the Warsaw Pact member-states at the Czechoslovak Ministry of National Defense; and the Central Group of Soviet Forces in Czechoslovakia.

Kapek Speech

LD061854 Prague Television Service in Czech 1503 GMT 6 Nov 86

[Opening speech by Antonin Kapek, member of the CPCZ Central Committee Presidium and leading secretary of Prague Communist Party Committee, at rally in Prague to mark the 69th anniversary of the Great October Socialist Revolution -- live]

[Text] Comrades: I cordially welcome you to the festive rally of the working and young people of Prague and the Central Bohemian Region, which has been convened in honor of the 69th anniversary of the Great October Socialist Revolution. I cordially welcome to our meeting representatives of the CPCZ Central Committee, the government and the National Front, led by Comrade Gustav Husak, general secretary of the party's Central Committee and president of the CSSR. [applause] It is with sentiments of fraternal friendship that I welcome our dear Soviet guests, Comrade Viktor Pavlovich Lomakin, USSR ambassador extraordinary and plenipotentiary to Czechoslovakia, [applause] and the delegation of the Soviet-Czechoslovak Friendship Society, led by Comrade Viktor Filonenko, its deputy chairman and candidate member of the Ukranian Communist Party Central Committee. [applause]

Comrades, we have met in order to recall the anniversary of the events which became a truly historical boundary in the development of all mankind, the anniversary of the revolution which is finding today honorable followers in the effort by the Soviet people to implement the 27th CPSU Congress resolutions on accelerating the Soviet development and in their struggle for peace, averting the threat of war and for disarmament, the resolution which also inspires our actions and the policy of our Communist Party.

The festive address will be delivered by Comrade Josef Korcak, member of our party's Central Committee Presidium and premier of the Czech SR. I ask him to take the floor.

Korcak Address

LD062222 Prague Television Service in Czech 1506 GMT 6 Nov 86

[Speech by Josef Korcak, member of the CPCZ Central Committee Presidium and premier of the Czech SR, at a rally in Prague to mark the 69th anniversary of the Great October Socialist Revolution -- live]

[Text] Comrades: We are meeting on the eve of the 69th anniversary of the GOSR to commemorate the most important event of this century. The farther we move in time from the Great October the more significant are its substantial features, the clearer is the validity of its legacy for our time.

The political and economic map of the world has substantially changed in the past decades. Hundreds of millions have taken affairs into their own hands and have embarked on the course of socialist development, the course leading to the full liberation of working man. The idea of socialism has become a reality; the world socialist system has come into existence; it is developing fast and has a future.

History has proven that the October Revolution was not one of the many utopian attempts to change the natural course of the world. How mistaken were those who viewed the GOSR as merely a historical deviation that would revert to normal in the course to time. Years later new views appeared about the exhaustion of the stimuli of the October Revolution, and an effort was made to limit its significance to the past. No unilateral interpretation has stood the test of time. The October Revolution was a milestone in the struggle for the liberation of the working people from their social and sprltual fetters, and in the struggle for a happier existence of man in a really human, just sôcial system.

The new life was born in pain, amid the horrors of war, in the poverty and suffering of World War I. The Russian Bolsheviks led by Lenin were able to find a way out from an apparently hopeless situation and gave hope of human existence to millions. They offered peace to those who were dying for foreign interests, gave land to landless persons, bread to the starving, freedom to the suppressed, and human rights to those who had no rights. The masses of the working people gave them their trust and supported the democratic and socialist solution to the crisis-ridden situation. The historical opportunity of defeating imperialism in its weakest and yet important link on the territory of Russia, which constitutes one-sixth of the world, was exploited. A successful start was made on the enormous project of building socialism, and the road forward was opened.

We are proud that together with the Soviet people and the other fraternal states we have been following that road for four decades.

The history of mankind has known many revolutions. The banners of fighters against exploiting systems have borne many wonderful slogans. Despite the heroism of the revolutionaries these slogans have remained unimplemented.

The proletariat of Russia, armed with the revolutionary theory of Leninism, led by the Party of Bolsheviks, was able to bring this struggle to victory. We know from history how difficult and hard this struggle was, what incredible sacrifices had to be made to defeat the allied forces of the internal counterrevolulon and foreign intervention. The revolutionary party that led it was following untried courses.

The strength of the the Bolshevik Party consisted in their not ignoring reality and not concealing mistakes in their activity. In time the party was able to subject the weaknesses of the revolutionary process to principled and open criticism. It was able to draw correct conclusions from them, energetically rectifying weaknesses. It regretted no effort in its service in which it always saw the meaning of its work. It valiantly implemented its pioneering mission.

The new edition of the CPSU Program tellingly evaluated the GOSR as a revolutionary event in world history that indicated its crucial aim and main trends, opening the irreversible process of substituting capitalism with a new, communist, social economic formation. The birth of the USSR and its development confirmed for the first time in history the practical possibility of building socialism.

first socialist state became the support of and hope for all revolutionary and progressive forces in the world. The USSR demonstrated its liberation role in World War II when it saved mankind from fascist subjugation. The victory over fascism encouraged profound social transformation. The world socialist system that continues to influence more and more strongly the revolutionary process on all continents was born. The colonial system of imperialism fell apart, and scores of developing countries set out on the course of independence and progress.

The reactionary forces of imperialism, led by the United States, responded to the revolutionary process by attempts at social revenge and escalating militarism. Particul -ly in the last few years they have intensified their aggressive course, escalating the arms race. In the interest of gaining strategic supremacy they are preparing to misuse space for military purposes. Their aim is increasingly obvious: restoration of their lost hegemony over the world. We respond to this policy of aggressive anticommunism with the mobilization of resources, further consolidation of the unity of our ranks, and a combative approach toward solving our own problems and the global problems of mankind. The aim is to unite the peoples of all continents in the struggle for the preservation of life on earth, to win over every reasonable person in order to safeguard the future of human civilization and to prevent its being surrendered to the adventurism and irresponsibility of representatives of the U.S. military-industrial complex.

It was not by chance that the first decree of the Soviet government was the decree on peace. The idea was to halt the senseless killings. It was an expression of the principled policy, witnessing to the fact that a banner of socialism is the banner of peace. The victory over the bourgeoisie for the first time created the possibility of implementing the old strivings of peoples to free mankind from the curse of wars and to establish lasting peace. The implementation of this possibility, however, encountered serious obstacles, as is known. After World War I there was an even more terrible world war unleashed by fascism. But the idea of a just and lasting peace had taken deep roots. Acnieving this great aim is increasingly realistic as a consequence of the development of the USSR, the socialist community, and the antiwar movements.

The year 1986, which has been declared International Peace Year by the United Nations, will go down in the annals of mankind's efforts to ensure peace as a year of particular importance. On 15 January Mikhail Gorbachev, general secretary of the CPSU Central Committee and the highest representative of the Soviet Union, presented a proposal to rid mankind of nuclear weapons by the end of this century. The 27th CPSU Congress adopted a comprehensive program to set up a universal system of international security, which the CSSR, together with the other Warsaw Pact members, fully supported.

The talks between the leaders of the Soviet Union and the United States in Reykjavik showed that it is possible to conclude agreements that could result in the gradual implementation of this program. Through the fault of the U.S. Administration, which has become obsessed with its vision of the militarization of space, this did not happen. This only shows that we must not lose sight of the other aspect of the reality in today's world -- the militaristic forces of imperialism which do not want detente and disarmament but which have been forced by the pressure of public opinion to go through the motions. As Comrade Mikhail Gorbachev made clear, the Soviet Union's proposals remain in force, and there is still the will on its side to continue negotiations. The Soviet Union's principled and flexible foreign policy contributes through its constructive approach to unification of all peace-loving forces and helps to expose and isolate the enemies of peace.

We are convinced that this constructive approach, which is gaining ever-increasing support among realistically-minded people, will have an influence on the proceedings at the follow-up meeting of Helsinki CSCE Final Act signatory states, which opened on Tuesday in Vienna.

Comrades, the modern history of the Czech and Slovak nations has been influenced significantly by the GOSR. The 65-year history of the CPCZ is evidence of the universal internationalist validity of the ideals of the GOSR and witness to the profound and lasting impact of Leninism on the shaping and development of the communist movement in our country. The party's historical experience shows that the basis for all its strategic success has always been and still continues to be its loyalty to the internationalist legacy of the GOSR, and that on the other hand any deviation from this legacy leads to mistakes, damage, and losses. Leninism teaches us that we must look to the past as a source of knowledge and as the key to understanding the laws of development.

What we must not do, however, is carry through the experience of yesterday into today's world in a mechanical way and copy what we did in the past. We have to look constantly to the future and draw on the experience of our history to tackle the new tasks facing us. It is with this realization that we made preparations for the 17th CPCZ Congress and drew up its program. And it is in this spirit that we are setting about implementing that program. An analysis of the momentous changes taking place in the frantic pace of development in the world in the eighties and our long-term tasks up to the year 2000 as mapped out by the 17th congress mean that we must carefully assess our future steps. It is by consolidating and building on the results achieved on our path of socialist construction and by ensuring peaceful conditions for our future development that we can best fulfill today the legacy of the GOSR.

One of the main lessons we have learned in the history of our socialist construction is the confirmation of the Leninist teaching about the need to influence the world revolutionary process, primarily by a successful economic policy, a high level of labor productivity, and the strength of our economic results. The congress of the socialist countries' fraternal parties have designated as the main task for the development of their economies to make fuller use, by means of intensification, of the achievements of the scientific and technological revolution.

The complex program of scientific and technical progress of CEMA member countries up to the year 2000 also corresponds to this joint goal. Using our joint forces in a historically short period of time we want to strengthen considerably the positions of socialism. There is vast strength in international socialist economic integration. It is a matter of making full use of the possibilities it provides. It is also in our interest to ensure that the CEMA integration mechanism works more effectively, so that it is more helpful in the development of the division of labor and the acceleration of scientific and technical progress. It must be more effective as a factor of intensification and strengthen the unity of the socialist community to a greater extent. The rapid development of the scientific and technical revolution in the world does not allow us to sit and wait. Come what may, we must be equal to the demands it makes as necessary.

Our party considers economic policy to be the foundation of the fulfillment of the demanding social program, the creation of a socialist way of life, and the spirtual development of society. To achieve this program the 17th congress of our party adopted the strategy of accelerating economic and social development. On the basis of this, the Eighth 5-Year Plan was worked out, which we have begun to implement this year.

Its demanding nature rests in the faster rates of the creation of national income which we must achieve primarily by increasing the productivity of labor and by reducing production costs through greater savings and better, more conscientious work.

We deem crucial deep changes in management and people's thinking, which must correspond to the course adopted by the 17th party congress; the urgent creation of an economy of an intensive type, based on mastering the processes of the scientific and technical revolution; and the technical and technological re-equipping of our production base. A prerequisite for this is the rebuilding of the economic mechanism, the system of planning and management of the national economy. At the same time it is vital to make more flexible and effective the work of all organs and institutions of our political system, national committees at all levels, the whole state organization, and the social organizations united in the national front. Nothing stands in our way to improve their work. All we need is more efficiency and conscienciousness, as was said at the 17th party congress. It is necessary to draw conclusions in theory and practice from the many years of striving to remove everything that holds back the develoment of our economy and society. We produce in order to satisfy needs, for use. This must be the point of departure in planning and evaluating work. It is well known that every bit of progress is difficult and complicated in the economic area. It is necessary to have a considerable approach to achieving the goals set out, on the basis of meticulous calculations, self-accounting [khozraschet], along the path of personal incentive.

In the right of our experience and the practice of other socialist countries we see that the way forward does not lead via partial adjustment of individual indicators. Today we also have need for Leninist principles and consistency in solving current problems, as well as Communist responsibility and loyalty to the cause of the revolution in implementing the interests of the working people. It is thus no accident the party stresses the Leninist principles of cadres policy and strives to ensure that the people who are entrusted with responsibility and often considerable means are truly in the right place and are decisive, inventive, and energetic.

The demanding nature of the tasks we are facing requires that we be more consistent in the cadre sphere, that we do not tolerate excuses for the mistakes and shortcomings of managerial workers, and that when making decisions we always see the interest of society. A lack of principles and mistaken consideration for people who commit errors and who are unable to learn lessons from them damage us not only economically but also politically.

During the postwar years our party tackled a number of revolutionary tasks in the political struggle with the bourgeoisie, in the struggle for power, for nationalization, industrialization, and collectivization and in carrying out a cultural revolution. The current period has placed before us a no less demanding task, and in many respects an even more complicated task -- to set the economy on the course of intensive development, to grasp the latest results of scientific and technological progress and to attain the world standard in labor productivity and quality products. What will be the main issue if we are to master these demands? It will be in our skill to persuade, win over, and guide people.

Comrade Husak said the following at the 17th party congress about the importance of political leadership: Each time new tasks arose our party demonstrated the ability to mobilize its forces and the forces of the broad strata of the people to implement them, and thus it proved its historic mission as the vanguard of the working class and working masses. We are convinced that this will be so also in the present.

The emphasis on solid links between the party and the people is characteristic of the revolutionary movement in our country. It ranks among our best traditions. Since its inception, the CPCZ has been a mass party. It has won its authority and strengthend t by being always in the forefront of the struggle for the fundamental interests of our nations: in the struggle for work and bread, for a dignified life for the working man, for the defense of the republic, in organizing the antifascist resistance during the occupation, in the struggle to win over the majority of our nations after 1945, in laying down the foundations of socialism, and in the struggle to protect them when they were threatened by counterrevolution.

The unforgettable Klement Gottwald has enjoyed a great and enduring reputation for our party's developing as a real revolutionary vanguard of the working class, of the people's masses from towns and rural districts, and in fulfilling its mission and working in the spirit of Leninist principles, creatively applying them in the conditions of our country. We shall soon be commemorating the 90th anniversary of his birth. The slogan of facing the masses is topical and binding also today.

In line with the revolutionary legacy of the pioneers of socialism we are striving to follow up reliable experiences in fulfilling the program set by the 17th party congress and to seek methods of work tht correspond to the present. This concerns methods based on trust in the working man, bringing our policy closer to the people -- a policy which substantially corresponds to their needs and aspirations. The party has never spared any effort when the defense and promotion of the interests of the working people have been at stake. To take note of the people's views, to know well their joys and worries, to conduct everyday conversation with them -- this is for us Communists a fundamental matter. The orientation toward close links between the party and the people is an integral part of our policy.

In the memorable days of November 1917 Lenin expressed a simple but irrefutable truth that only those who believe in the people and who immerse themselves in the foundain of the living and creative work of the people would win and maintain power. In this truth lies the greatness and strength of our policy. From it also comes the duty to adopt an implacable stand against formalism and red tape, against everything that weakens the links between the party and the people and that disturbs their confidence in our policy. The experience of the end of the sixties shows how important this is. The main lesson from the crisis-ridden development is the conclusion that it is necessary to proceed in such a way that people understand us well, are convinced of the correctness of our policy, and actively support and implement it.

The 17th congress program is in accordance with the basic interests and prospects of the nations and nationalities of our republic. It is fully in keeping with the effort of the revolutionary and progressive forces to secure social progress and lasting peace in the world. It contributes to the inceased attractiveness of socialism.

The basis of the successes of the GOSR was the connection of scientific theory with the revolutionary activity of the masses of the people. It is true also today that great energy is born from great aims. The aim of our work is determined today by the strategic intentions of speeding up socioeconomic development.

It is necessary to bear constantly in mind the aims of socialism and to realize that they can be achieved only through the struggle against the obsolete, inertia, and reliance on routine. Everyone must overcome obsolete ideas and attitudes. Something can be improved, changed, and raised to a higher standard everywhere. Our battle today is primarily the effort toward a new, higher quality of work, higher utility values, and better human relations. What is necessary is more responsibility, creativity, and acceptance of what is new. We must not ignore anywhere the displays of bureaucracy, of doing things by half, of disorder and lack of discipline, of covering up the real state of affairs and of evading problems. Socialism can strengthen and develop only in the struggle against difficulties and obstacles of all types.

One of the greatest barriers is the vestiges of the old practice of not subordinating the way of thinking from the time of extensive economic development. Our hands are bound by the habit of evaluating everything by mainly quantitative criteria, purely by percentages. The final aim of all our effort, which is the main thing, is often forgotten. The quest for quantity has still not been restrained by the hunger for new technology and for creative deeds. For the implementation of the congress resolution, qualitative yardsticks are of key importance. Only such indices can reflect rightly the progress achieved, and only through them can we improve the standard of political, economic, and educational work.

Most of our people recognize that the output of our economy is not in keeping either with our needs or with our possibilities. Better implementing the social program directly depends on speeding up the growth of the national revenue, the increase of labor productivity, and the quality of production -- in other words, consistent fulfillment of the tasks of the Eighth 5-Year Plan.

In the last two decades much has been done for the development of our society. We are, however, not satisfied with what has been achieved. The party is directed to proceed purposefully in tackling more complicated tasks. It increases the demands on managerial and political work. It must, however, be admitted that we do not meet everywhere with full comprehension of the new demands, and that there are still cases of waiting and retreating. Why do we place so much emphasis today on the fact that we cannot get by merely by marking time and by lagging behind? Why do we call for an active approach to tackling problems: Why do we criticize those who merely passively trim their sails according to the wind and who are content with mediocrity? It is because by doing this we are acting in the interests of the future development of society. History will never forgive those who slow down social progress through their complacency.

It is no coincidence that this is exactly what are enemies are gambling on, and that their schemes rely on manifestations of backwardness on our part. Well they must think again. The Soviet Union, Czechoslovakia and the other socialist countries have embarked on a policy of speeding up social progress, which will make it possible to tackle the problems of the further development of socialism and will substantially increase its might. Lenin considered the ability to manage society in accordance with socialist principles as a revolutionary task equal to that of actually gaining political power. Under the leadership of the CPCZ the working people have shown that they are more capable of managing the affairs of our nations than were the bourgeoisie in the past.

The party adopted a creative approach in setting up new political bodies. It looke for support to the National Front which made it possible to guide the working people to the path of socialism in a nonformalistic way. It showed the ability to combine the traditions of the struggle for a united popular front with the aspirations of the working people for unification, and it made the National Front into a solid basis for constructing and developing our political system. The mission of the National Front has shown its viability and has far from exhausted its possibilities.

In building socialism the party has succeeded in building on the progressive tradtions and broadly-based network of social organizations which came into being over a period of several decades largely either within the workers' movement or under its strong influence. The party deemed extremely important its work in the trade union, physical education, youth, and cooperative movements, and it entrusted its most experienced cadres with this work. We must count on the fact that the role of the social organizations will further increase, but they will have to rid themselves of rigid forms and methods of work which undermine their initiative and activity.

The national committees are a particularly significant element of people's power. The establishment and development of these committees have been one of the most important achievements of the revolutionary restructuring of society. Their role will continue to increase commensurately with the increasing scope of the people's needs and interests. In recent years we have taken certain measures to improve their work, which still provokes a great many justified criticisms on such issues as meeting the basic needs for housing, services of all kinds, and so forth. What is important is that the national committees play an active role in providing for the growing material and intellectual needs of the people.

Our socialist life today is not without its negative phenomena. Their causes and manifestations are manifold, and there are grounds for sharp criticism of parasitism, bureaucracy, corruption, bribery, and violation of the principles of socialist law and morality. We deem particularly important the upholding of socialist law and order and equal validity of legal and moral norms for everyone. When these principles are violated we must adopt a more resolute attitude, we must punish more severely and instill more effectively the tenets of aware socialist citizenship. People must be aware not only of their rights but also of their duties. Part of this effort is the consistent deepening of the democratic character of our social system, ensuring that the citizens are extensively informed.

Comrades, the ideas of Great October live on in the actions of hundreds of millions of people who are for progress, who struggle for the national and social liberation of men from all forms of repression and for a just world and for peace on all continents. They also designate the rhythm of our life. Thanks also to us deep changes in the material base and awareness of our society are taking place. The social standing of the working man who is learning the manage his state has changed fundamentally. New forms of life and organization of labor are emerging; more perfect methods of management, important scientific discoveries, and progressive forms of initiatives are being created. Revolutionary fervor and firm resolve to demolish the old order and create a new world are especially familiar to the young generations. This was also the case during the October Revolution. Its great ideals are also present in the longing of the present young generation to outdo what has been achieved, to set out bold plans and look for new ways. This is why we consider the all-round preparation of a new shift, a shift of those who honorably continue the revolutionary work of the previous generations, to be one of our basic tasks. Our joint goal is to ensure that the cause of October 1917, and also the cause of February 1948, is in good hands.

The path from 7 November 1917 to the present day was complicated and difficult, but i was victorious. We will continue along it to new successes, to further higher ide. s of social progress. We are not looking at the past, we look forward. We return to past struggles for lessons and inspiration. The requirement of a revolutionar approach links us with the past. It expresses the practical fulfillment of th legacies of the GOSR. It is a specific demonstration of loyalty to its ideas. Th content of revolutionary nature constantly undergoes changes. But today, just a yesterday and tomorrow, what matters is the ability to think and act in the spirit o socialism, to fulfill the truths certified by life of the workers movement with hard work, to be principled in policy and ideology, to manifest flexibility, to deduce bravely conclusions from the needs of life, to learn from historical experiences, and not to evade the truth. An example is the CPSU and the way in which it fulfills the program of its 27th Congress. It shows that Soviet Communists go firmly along the Leninist revolutionary path, aware of responsibilities not only to their own people but to the nations of the world.

Great October, which was born from the hope of social liberation of the workers and lasting peace in the world, continues to light the path of the struggle for these highest ideals. We will go forward together with the Soviet Union, with all socialist countries and progressive forces, on the path of joint struggle for the victory of socialism and peace, for international cooperation, and for understanding between the nations of the whole world for a happier future for mankind.

Long live our indissoluble friendship and alliance with the Soviet Union! [applause] Forward to further development of socialism, our dear homeland, the CSSR! [applause]

PRESIDIUM DISCUSSES HUSAK TALKS WITH KADAR

LD061636 Prague Domestic Service in Czech 1430 GMT 6 Nov 86

[Text] The CPCZ Central Committee Presidium discussed the course and results of the talks held by Gustav Husak, general secretary of the CPCZ Central Committee and president of the Republic, during his friendly working visit to Hungary with Janos Kadar, general secretary of the MSZMP. It highly praised the significance of regular working meetings of the highest representatives of the fraternal parties. Their talks in Budapest demonstrated yet again the high standards of the relations between the CPCZ and the MSZMP, between Czechoslovakia and Hungary, and between the peoples of the two countries, and they brought new important incentives for the development of mutual cooperation.

The CPCZ Central Committee Presidium noted with satisfaction that Czechoslovak-Hungarian relations are developing successfully on all-around basis for the benefit of both sides. An expression of this is the extensive program of long-term economic and scientific-technological cooperation between the two states up to the year 2000, signed by Comrades Gustav Husak and Janos Kadar, which sets out the basic aims and main directions of deepening economic relations between the two countries.

The CPCZ Central Committee Presidium highly praised the fact that the meeting of the two representatives confirmed full identity of views on the current situation and development of the international situation and resolute support for the active consistent foreign policy of the USSR and for the far-reaching Soviet proposals and initiatives delivered by Comrade Mikhail Gorbachev in Reykjavik and that it expressed determination of the two countries to multiply efforts in the struggle for the preservation of peace and averting the danger of nuclear catastrophy.

PARTY, STATE LEADERS GREET USSR COUNTERPARTS

LD071001 Budapest MTI in English 2012 GMT 6 Nov 86

[Text] Budapest, November 6 (MTI) -- On the occasion of November 7, Janos Kadar, general secretary of the Hungarian Socialist Workers' Party, Pal Losonczi, president of the Presidential Council, and Gyorgy Lazar, chairman of the Council of Ministers, Thursday sent a telegram of greetings to Mikhail Gorbachev, general secretary of the Central Committee of the Communist Party of the Soviet Union, Andrey Gromyko, president of the Presidium of the Supreme Soviet of the Soviet Union, and Nikolay Ryzhkov, chairman of the Soviet Council of Ministers.

The telegram runs, "On behalf of the Central Committee of the Hungarian Socialist Workers Party, the Presidential Council, the Council of Ministers of the Hungarian People's Republic, and the Hungarian people, we forward our comradely greetings and best wishes to you, the Central Committee of the Communist Party of the Soviet Union, the Presidium of the Supreme Soviet of the Soviet Union, the Council of Ministers of the Soviet Union and the Soviet people on the occasion of the 69th anniversary of the Great October Socialist Revolution. The victory of the Great October Socialist Revolution, the founding of the first socialist state of the world opened a new stage in the development of humanity. The results of the revolutionary fight of the Hungarian people are closely connected to the ideas and effect of the Great October. Our party and people followed with great attention and welcomed the work carried out at the 27th CPSU Congress. We wish every success in realizing the standpoints approved at the congress and aimed at accelerating the social and economic development of the Soviet Union. We support the Leninist peace policy of the Soviet Union, [words indistinct] Soviet foreign policy initiatives that have emerged following the congress, which are aimed at checking the arms race, at disarmament, at strengthening international security and cooperation, and safeguarding the peace of the peoples. The Soviet Union is our liberator, and the most important supporter of our independence and socialist building work. Hungarian-Soviet relations based on the ideas of Marxism-Leninism and socialist internationalism, sincere friendship, common goals and interests, accord to the interests of the Hungarian and the Soviet peoples and the socialist community. Our party and government will continue to pay particular attention to strengthening the friendship of our peoples and the cooperation of our countries. On this great holiday of the Soviet Union and the entire progressive humanity, we sincerely wish you and the Soviet people further success in your activity carried out for socialism, progress and peace.

Budapest, November 6 (MTI) -- On the occasion of the anniversary, Foreign Minister Peter Varkonyi sent a telegram of greetings to Eduard Shevardnadze, Soviet minister of foreign affairs.

BRIEFS

NETHERLANDS SCIENTIFIC TALKS -- A Hungarian-Netherlands scientific conference began in the Scientists Club of the Hungarian Academy of Sciences on 27 October. The conference is entitled "Humanism and Human Values." In the 3-day conference organized by the Institute of Philosophy of the Hungarian Academy of Sciences as part of a program for Dutch cultural month, the participants agreed on the possibilities for future exchanges of experiences. [Text] [Budapest NEPSZABADSAG in Hungarian 28 Oct 86 p 8 AU]

LEADERS CABLE USSR COUNTERPARTS ON GOSR DAY

LD070936 Warsaw PAP in English 0100 GMT 7 Nov 86

[Text] Warsaw, No. 6 -- On the occasion of the 69th anniversary of the Great Socialist October Revolution, PUWP CC first secretary, President of the Council of State Wojciech Jaruzelski and Chairman of the Council of Ministers Zbigniew Messner sent a cable to CPSU CC General Secretary Mikhail Gorbachev, chairman of the Supreme Soviet of the Soviet Union Andrey Gromyko, and chairman of the Council of Ministers Nikolay Ryzhkov.

The cable conveys cordial greetings and best wishes of further successes in the implementation of the historic resolutions of the 27th CPSU Congress, and in the cause of accelerated socio-economic development of the Soviet Union.

The peaceful foreign policy of the Soviet Union based on the Leninist principles of peaceful coexistence of states with different socio-political systems has won universal recognition, the cable reads in part. The programme of peace announced by CPSU CC General Secretary Mikhail Gorbachev on January 15, this year provides possibilities of making a crucial turn towards halting arms race, building a system of universal security in the world, freeing mankind of the threat of nuclear annihilation. This was clearly confirmed by a package of new, bold Soviet initiatives presented at the Reykjavik meeting, the cable said.

The Polish nation has special reasons to celebrate the anniversary of the Great Socialist October Revolution. It is owing to the victory of the Great October that the Poles obtained a chance of gaining independence.

The defeat of fascism by the heroic Soviet Army accompanied by Polish soldiers on their proud combat trail created guarantees for our nation of a sovereign existence in a new, socialist systemic shape.

The systemic community and Polish-Soviet brotherhood-in-arms constitute a lasting foundation of friendship and cooperation between our states and nations.

The Polish-Soviet alliance has fully passed its historic test. The Polish-Soviet cooperation is developing favourably in all fields.

Poland will continue to consistently develop and deepen fraternal friendship and all-round cooperation with the Soviet Union for the benefit of both parties, states and nations, in the interest of socialism and peace, the cable said.

JARUZELSKI GREETS INDIAN PRESIDENT ON ARRIVAL

LD061633 Warsaw Domestic Service in Polish 1500 GMT 6 Nov 86

[Text] Indian President Giani Zail Singh has arrived in Poland on an official visit at the invitation of the Chairman of the Council of State. The distinguished guest was greeted by Wojciech Jaruzelski and members of the highest authorities at Warsaw's Okecie Airport.

Talks Reported

LD070952 Warsaw PAP in English 0300 GMT 7 Nov 86

[Text] Warsaw, Nov. 6 -- President of the Republic of India, Giani Zail Singh arrived today on an official visit to Poland on the invitation of President of the Polish Council of State Gen. Wojciech Jaruzelski. The visit is an important event in the development of Polish-Indian relations which are characterized by friendship and mutual understanding, as well as convergent or even identical views on key international issues.

PAP reporters write:

In the afternoon, a meeting was held in the Belweder Palace here between the President of the Council of State, Gen. Wojciech Jaruzelski and the President of the Republic of India, Giani Zail Singh.

The two referred during their conversation to Gen Jaruzelski's visit to India last year and expressed an opinion that the decisions adopted then, resulted in a tangible acceleration of Polish-Indian relations in all the domains.

It was stressed that mutual relations are based on the lasting friendship, tested in times difficult for both countries, and on mutual understanding.

The sides expressed the will to further expand these relations for the benefit of both nations, as well as a conviction that the present visit of President Zail Singh to Poland would essentially contribute to this.

The sides exchanged views on many international issues. The sides expressed their mutual appreciation for the role the two countries play in their regions and in the world arena. The talks will be continued on Friday.

Tonight, President of the Polish Council of State Wojciech Jaruzelski gave a dinner in honour of president of the Republic of India Giani Zail Singh in the Palace of the Council of Ministers. Members of the Polish supreme authorities and officials accompanying the Indian president took part in the meeting.

The president of the Polish Council of State and the president of the Republic of India delivered speeches.

GORYWODA DELIVERS SEJM ADDRESS ON 5-YEAR PLAN

AU050401 Warsaw RZECPOSPOLITA in Polish 24 Oct 86 pp 3, 4

[Speech by Deputy Premier Manfred Gorywoda, chairman of the Government Planning Commission, to the PPR Sejm on 23 October in Warsaw]

[Text] Marshal, deputies: The government has submitted to the honorable chamber a draft National Socioeconomic Plan [NPSG] -- the result of almost 3 years of work -- an estimate of fiscal expenditure and income, and an estimate of the level of state finances covering the years 1986-90. [paragraph continues]

The draft plan was preceded by the formulation and submission to deputies of "National Socioeconomic Concept Variants" and a preliminary draft 5-year plan. The government also submitted to the Sejm a document entitled "Main Issues in National Socioeconomic and Extensive Development During the Years 1986-90," and "Plan Assumptions for Extensive Management of the Country Until 1995." This made it possible to preserve a connection between long-term plans and the 5-year plan.

Planning documents were submitted for extensive public consultation and debate, and for debate by Sejm deputies. Academic, occupational, and enterprise communities took an active part in the debate, which was not devoid of controversy. It received extensive coverage in the mass media and prompted thousands of observations and suggestions.

Thus, the final form of the draft plan has been shaped by the results of reflection and analysis, and suggestions and critical observations made by extensive social and occupational circles. It has also been shaped by the outcome of discussion within the PZPR -- especially by the content of the 10th congress resolution -- other political parties; PRON; trade unions; social and occupational organizations; scientific research communities; the Sejm Socioeconomic Council; the Economic Reform Commission; the Consultative Economic Council; and other advisory and opinion-making organs. Thus, in essence, the 5-year plan has become a common effort.

The Broad Scope of Consultation [subhead]

Such extensive public consultation on draft central plans is without precedent in the history of planning in People's Poland. It means that the socialization of planning has become a permanent feature of running the economy and the country.

On behalf of the government, I sincerely thank everyone who has made a contribution to increasing the value of the draft 5-year plan and enhancing its substantive content.

May it please the Sejm! On 24 July 1985, the Sejm selected the NPSG concept variant for the current 5-year period. This variant served as the basis for further work on the draft plan for the years 1986-90.

In May of last year, when the government submitted "National Socioeconomic Plan Concept Variants," it described the starting point for the realization of tasks during the current 5-year period and projected internal and external conditioning factors. Let me remind you that quantitative increases in factors of production -- labor, fuel, and raw material resources -- have been the lowest in the history of People's Poland. The fact that we will have to find a path to economic development at a time when there will be almost no increase in coal output assumes the status of a symbol for the changes that are taking place. At the same time, social needs are increasing as a result of population growth -- especially of the pre- and post- work age population -- fixed assets are becoming antiquated; resolute steps need to be taken to combat the pollution of the natural environment; economic unbalance persists; debts are high; and the economic sanctions imposed against Poland are having tangible consequences. It should not be forgotten that a large degree of uncertainty surrounds the form that the international situation will take; the situation in world markets; climatic and weather conditions; and the degree of social acceptance of the more widespread introduction of economic constraints. There are also reserves and possibilities. These reserves and possibilities can be found in the general increase in the level of skills and qualifications of those employed in the national economy; in the better use of the enormous intellectual capacity of our nation; in more efficient organization; in higher discipline; in better use of working hours, raw materials, and assets; in improving investment processes; in consistent work being performed by all managerial bodies; in making use of the ability of self-management and trade union bodies to mobilize; and in expanding cooperation with the Soviet Union and other CEMA countries.

In general, the forecasts concerning conditions factors made one and half years ago have not changed; in certain instances, they have worsened, as a result, for example, of the failure to accomplish export tasks. That is why the draft plan envisages a more cautious estimate for the rate of growth in national income than that contained in the "variant" selected by the Sejm.

Under these circumstances, what policy can secure the highest rate of long-term socioeconomic development for the country and thus improve living standards? There can only be one answer. A consistent, tough policy orientated toward higher productivity; lower energy and material consumption; the elimination of waste; and better use of every available production factor. In other words, a policy oriented toward making use of qualitative sources of development, toward modernity in the broad sense. That is the main thought contained in the resolutions passed by the 10th congress and the conclusion stemming from Sejm resolutions, opinions, and postulates. The government was guided by these considerations when it drew up the draft 5-year plan and formulated the necessary instruments for its implementation.

It was necessary to conduct a rigorous and sometimes socially difficult selection of goals. This is because needs greatly exceed the economy's capacities. Current needs and aspirations often clashed with the country's long-term development requirements. The scale of the problem was attested to by the fact that investment postulates would have required a sum of Z17 billion whereas the maximum available for investment was estimated to be Z10 billion. The government found the results of consultations and discussion particularly useful in making choices. Certain problems will have to be consciously set aside for resolution in years to come. A plan with an excessive number of goals, however just they may be, would run counter to the fundamental assumptions of economic policy for the current 5-year period.

The very essence of the economic policy for this five-year period consists in creating material and economic premises of higher quality of management. In what is it reflected? Better material conditions primarily mean, as planned:

First -- the intensification of Poland's participation in the international division of labor which depends on higher exports, in the first place;
Second -- the speeding up of the scientific and technological progress;
Third -- structural changes in production and development;
Fourth -- modernization of production potential, which calls for higher investment outlays and primarily their structural changes.
The effectiveness of the economic reform should be increased, chiefly, through:
-- restoration of economic equilibrium,
-- adoption of realistic economic parameters, in the first place prices, and simultaneous curbing of the rate of inflation, improvement of methods and style of economic management.

The government is of the opinion that such conception of the economic policy and these directions of activity reflect most fully the conditions of development and are the only way to ensure the highest possible long-range pace of the country's economic development. Consistent implementation of this policy should make it possible to attain in the years 1986-1990 a growth of national income of between 16 and 19 percent, and thus, create premises for a better satisfaction of social needs.

Taking into account the results of social consultations, and simultaneously, the possibilities of the economy, adhering to the resolution of the 10th congress, the national socio-economic plan proposes to adopt for the years 1986-1990, the following principled social goals:

1. Further improvement in the supplies of food and industrial products,
2. Effective curbing of inflation.
3. Progress in the solution of the housing problem,
4. Progress in the development of health protection and the halting of the natural environment's degradation,
5. Expansion of the material base of education and the school system, and culture.
6. Shaping of the population's incomes in accordance with the principle of the socialist social justice.

The improvement in the society's diet will take place on the basis of the envisaged 14-percent growth of market food supplies, which should be accompanied by a more diversified offer and a markedly higher quality of food products.

The main effort in agriculture will be concentrated on areas that are of decisive importance for stepping up agricultural output: land reclamation, the use of fertilizers and lime, plant protection agents, supplying the countryside and agriculture with water, and the modernization of the electrical power network.

It is envisaged that 700,000 hectares of land will be reclaimed for agricultural purposes, that is, 55 percent more than in the years 1981-85. This is a great strategic task. In accordance with the solutions that have been adopted, this task will be the responsibility of regional authorities. Regional authorities have not allaocated enough resources for the accomplishment of this task during the course of their work on regional plans to date. The government -- with the intention of expanding land reclamation -- has increased the allocation of resources from the planning reserve for regional development and it proposes that the Sejm deem tasks in the area of land reclamation as binding on voivodship people's councils.

There will be a significant increase in supplies of mineral fertilizers. It is envisaged that supplies of nitric fertilizers will increase by more than 40 percent, those of lime fertilizers by about 40 percent, and those of lime-magnesium fertilizers, which are currently in short supply, by 100 percent. Supplies of plant protection agents will increase by at least 18 percent. Their quality will improve. The amount of land under cultivation covered by protection measures will increase by almost 40 percent in 1990.

The supply of water to the countryside will improve. It is envisaged that expenditure on rural water supply systems will increase by more than 50 percent. Expenditure on the rural electrical power network will increase by almost 80 percent.

There will be an increase in supplies of tractors and mechanized machinery for agricultural production. The envisaged 40 percent increase in supplies of spare parts ought to produce a significant improvement in the efficient and rational use of agricultural machinery.

In order to raise the overall efficiency of agricultural production, it is envisaged that greater use will be made of scientific and technological achievements; and that progressive methods and new production technologies, especially those resulting from progress in biology and agricultural technics will be introduced. This objective will also be served by changes in the agricultural production structure and the introduction of integrated methods of grain and other plant cultivation on an increasingly greater scale.

To ensure conditions for the development of agricultural production, the principle of constant profitability will be observed. This principle will also take account of the need to make better use of land -- which includes better preservation of farmland, an improvement in the agricultural structure, and increased work in the area of merging plots of land.

To make better use of agricultural products, it is envisaged that the development of the agrofood industry will be speeded up. Investment in this industry will increase by more than 70 percent, which will make the industry one of the essential elements in structural change. Investment will be concentrated in the dairy, vegetable oil, milling, bakery, potato, fruit and vegetable, and refrigeration industries. There will be an improvement in the organization of and technical base for the procurement of agricultural products; in the transportation and storage of agricultural products, and an improvement in the provision of production and material services for the countryside in a broad sense.

The intentions show what significant resources will be allocated for the development of the food economy. Regional authorities, agricultural circles, and rural cooperatives bear a particularly great responsibility for seeing to it that these resources are used efficiently.

May it please the chamber! The current 5-year period ought to bring an improvement in the supply of industrial consumer goods. It is estimated that supplies of goods of this category will increase by 17 percent. An assessment of production and import possibilities indicates that there is a possibility that demand for many items will be satisfied. This applies, inter alia, to: furniture; refrigerators; most items produced by the textile and clothing industries; crockery and tableware; and cleaning agents. There will be a significant increase in household goods; automatic washing machines; freezers; sewing machines; and radio sets and televisions. The trading base will be expanded and its operation will be improved. There ought to be a definite improvement in the quality of goods; the reliability of durable goods and an improvement in the advantages to be derived from their use, and thus a reduction in the costs incurred by their use. The trading apparatus should make demands of this kind on producers. A constant improvement in the state of market equilibrium ought to assist this process.

Social needs should be better satisfied by the accelerated development of the services sector. The plan envisages a high rate of development in this sphere of operation. It is estimated that the value of services will increase by about 30 percent. A particularly rapid development of services providing everyday necessities is envisaged. There services are essential for improving living standards. This applies in particular to general repair, laundry, and building and repair services. The government will create stable institutional and economic conditions for the development of services. Regional authorities have a large role to perform in this area. The success of the program for expanding service activity depends on the initiative and enterprise of regional authorities to a large extent.

Socialized small-scale production should play an increasingly greater role in satisfying public demand for services and consumer goods. The reconstruction of state regional industry should produce better results. Hitherto, regional authorities have made insufficient use of developing this form of economic activity in order to effect an improvement in supplies of goods and services; to mobilize towns, housing estates, and villages that possess labor resources; and to increase regional budget income.

It is envisaged that small-scale production output ought to increase by at least 25 percent during the current 5-year period. Its contribution to industrial output will increase, and this will constitute an important aspect of structural economic change in the economy.

The draft plan also envisages the further expansion of crafts and trades -- especially in the area of services providing everyday necessities; services for the countryside; an increase in the production of construction industry materials; and the expansion of constructive services.

Inflation influences people's assessment of improvements in living standards. To a great extent, the high inflation rate crushes positive feelings stemming from improved supplies of consumer goods. That is why the government will undertake a resolute struggle against inflation, and will endeavor to bring down the rise in prices in 1990 to within single figures.

The Housing Question [subhead]

Deputies progress in resolving the house question is closely connected with the rate of growth in national income and the way in which it is distributed. it is envisaged that about 30 percent of all investment outlay during the current 5-year period will go toward housing. This should ensure an improvement in the populations' housing conditions. We propose making the following priorities in the resolution of the housing problem:

First -- an expansion of the repair and modernization of the old housing stock;
Second -- an increase in the number of new housing units being built during the current 5-year period;
Third -- the creation of material conditions for accelerating the construction of housing after 1990;
Fourth -- an improvement in housing conditions by way of better management of the existing housing stock.

The government envisages that repair work will be carried out on about 900,000 housing units by 1990, that is, 50 percent more than during the previous 5-year period. Appropriate quantities of materials and equipment will be allocated for this purpose, and the necessary resources, credits, and specially created organizational solutions will be provided. Regional authorities at all levels will have a decisive role to play in the accomplishment of this task.

The draft plan envisages the construction of between 1.05 million and 1.15 million apartments during the period 1986-90. This will permit an increase of about 10 percent in the housing stock. By 1990, the statistical number of persons occupying one room will fall below one.

The attainment of the envisaged level of new housing will depend on a systematic decline in costs. An assessment of the material and financial resources that can be allocated for housing construction indicates that construction of 1.05 million apartments will require a reduction of about 10 percent in per unit material consumption over the 5-year period. Greater progress in reducing costs would make it possible to build additional apartments. This will call for a determined improvement in the operation of construction industry enterprises and greater interest in construction costs on the party of housing cooperatives.

The creation of a foundatin for accelerating housing construction means, above all -- and during the current 5-year period -- obtaining and preparing the essential land; expanding the communal infrastructure; and modernizing and expanding the construction materials industry. Investment for the purpose of realizing the last objective will undergo a two-fold increase compared with the previous 5-year plan. The production of qualitatively new materials is a prerequisite for technological changes in housing construction and a definite lowering of the energy-intensiveness of constructing and using housing. A failure to achieve rapid progress in this area would render low supplies of fuel and energy and obstacle to the expansion of housing construction.

Investment in the communal infrastructure will make it possible to improve supplies of water and heating to towns, to build sewage systems, and improve public transporation. Progress will be made in the construction of the Warsaw subway and a new transportation system for Silesia. It is envisaged that by 1990 large water-supply systems will be ready for use and will ensure, inter alia, an improvement in the supply of water to the Katowice, Warsaw, and Krakow conurbations.

Heating energy produced by heating plants will increase by more than 20 percent when new plants go into operation. Conditions for improving the functioning of communal enterprises and municipal services will be created with the intention of developing the municipal infrastructure.

Regional authorities at all levels will have a decisive part to play in accomplishing tasks connected with improving the population's housing conditions. These authorities will ultimately decide what level of resources will be allocated for the development of the communal infrastructure and economy, for housing repair work and the construction of new housing and will make decisions about the efficient use of these resources for satisfying particularly pressing needs and progress in the entire housing economy.

The proposed changes to the housing policy will include alerations to the principles that govern the financing and provision of credit for housing construction. In line with earlier announcements, the government envisages greater use of personal resources for the acquisition of new apartments or the use of apartments that have been occupied previously.

Housing management must be improved. Abuses in housing management provoke justified public criticism. The government has already forwarded to the Sejm proposals concerning amendments to the housing law that are designed to increase efficiency in managing housing resources. In particular, the proposals envisage the introduction of inducements and simplification in procedures covering the exchange of apartments.

The draft amendment also envisages changes in the management of factory premises that have been widely called for. The amendment would grant enterprises complete freedom to determine the use of housing that have been constructed. These changes, alongside the creation of conditions for increasing enterprises housing construction, ought to have a stabilizing effect on enterprise work forces.

Raising Standards in Health Care, Education, Culture and Environmental Protection [subhead]

May it please the chamber! The draft plan envisages an increase in health care standards. There will be an improvement in supplies of drugs. The combined increase in supplies of drugs should exceed 40 percent. Supplies of medical equipment and apparatus will increase by almost a third. New hospitals will provide an additional 25,000 beds. There will be an additional 260 health care centers.

A great effort will be made to expand and improve the medical cadre. During the period 1986-90, the number of physicians will increase by almost 12,000 and the number of nurses by more than 42,000.

Actions aimed at preventing and combating social illnesses will be stepped up. The government will take steps to ensure that more efficient use is made of resources allocated for health care. The availability and efficient functioning of basic health care will be increased. [paragraph continues]

The attainment of this goal will be assisted by increasing opportunities for selecting physicians freely; ensuring the provision of round-the-clock ambulance services; and making better use of hospital medical cadre and apparatus.

Hygiene standards will also rise. The problem of cleansing agent and disinfectant supplies will be resolved, and work performed by sanitary and epidemiological services will be stepped up.

Progress in work safety, including a reduction in the number of people employed in conditions that are harmful to health, will improve public health. This is an important task for managers of workplaces and an area in which occupational and sociopolitical organizations can display initiative and concern.

Fiscal, credit, and tax policy will assist work aimed at improving working conditions. When the need arises, administrative measures will be applied.

The expansion of sport, tourism, and recreation will also help to improve public health. Conditions will be created for modernizing the tourism, vacationing, and sports base and for increasing use of such facilities. The highest levels for tourism, attained at the end of the seventies, will be reached once more. Opportunities for children and young people to vacation in Poland and abroad will increase. Excursions for working people -- organized by trade unions as part of exchange agreements -- will increase.

The most important task in the education field is the provision of school places for more than 900,000 additional pupils. To accomplish this task, almost 21,000 teaching premises will be made available for elementary schools. Of these teaching premises, almost 18,000 will have been newly built. The number of classrooms in post-elementary schools will increase by 4,000. The development of the material base will be accompanied by the modernization of the education system. The higher education base will also be developed. The number of students will rise.

Progress in the functioning and modernization of the education system will take the following forms: a new secondary school curriculum; greater availability of textbooks and a wider range of didactic aids; and the implementation of the computer education program, which envisages every secondary school being provided with a microcomputer study room. In order to raise standards of vocational training and to accelerate the vocational training will be fundamentally expanded and school workshops will be modernized.

More pre-school education will also be provided. The number of children receiving pre-school education will increase from about 50 percent in 1985 to almost 60 percent in 1990.

In the cultural field, the basic task envisaged by the draft NPSG is an improvement in the material conditions determining its dissemination and development and providing various social groups with more equal access to culture. The government considers books to be of particular importance in this respect. Per capita book production will increase from 6 copies in 1985 to 8 in 1990. More newspapers and periodicals will also be published. The printing base will be modernized and expanded with this objective in mind. The dissemination of culture will be assisted by the creation of an additional 770 public libraries (a figure that includes public library sub-service facilities) and an additional 290 houses of culture or cultural centers. The film and recording industry bases will be modernized and expanded.

To ensure that appropriate conditions exist for more widespread participation in culture, the development of artistic creativity, and the preservation of our cultural heritage, it is envisaged that state budget expenditure in this field will increase, and that the tax deductible value of contribution to the Cultural Development Fund will rise to 14 percent in 1987.

The draft plan envisages a significant increase in the number of environmental protection tasks. The fight against ecological dangers is not only an ever more obvious social need but also a prerequisite for the development of further economic activity. This calls for an increase in investment outlays on environmental protection and the water economy. It is envisaged that investment in these areas should grow 3.5 times more rapidly than investment in the socialized economy as a whole.

The following are basic objectives in the environmental protection field:

-- an improvement in the quality and supply of water.
-- preventing pollution of the atmosphere resulting from dust and gas emissions,
-- the protection of endangered areas of natural beauty and value.

The construction of sewage-treatment plants will be speeded up during the years 1986-90. The construction of eight large sewage-treatment plants will come under central investment. The modernization and construction of 920 facilities for the treatment of town and industrial sewage will take place. Regional block sewage-treatment plants and container water treatment stations will go into operation.

As a result of these activities, water pollution will be halted in many regions by 1990, and in some areas the quality of water will improve. It is difficult to overestimate the importance of this task.

Capital-intensive hydrotechnological undertakings will be continued. These will produce seven large water reservoirs. Combined water storage capacity will increase by one quarter.

Steps taken to counteract air pollution ought to improve air quality in the most endangered regions; especially in Katowice, Legnice, Walbrzych, and Krakow Voivodships. To make it possible to counteract the most serious consequences of atmospheric pollution, caused by the emission of sulphur dioxide, appropriate research work and experimental pilot projects will be undertaken.

During the years 1986-90, more use will be made of waste from the steel and energy industries. The pace of land reclamation work will also be stepped up.

The government will support the work of social organizations that increase society's ecological awareness and increase concern about the state of the natural environment.

We are counting on there being a positive response to the initiative launched by Comrade Wojciech Jaruzelski, PZPR Central Committee first secretary, at the UN session. The initiative called for the universal acceptance of the principle of the free exchange of experience, licenses, and technology that promote environmental protection.

The Shaping of Income Policy [subhead]

May it please the Sejm! The government will work to shape an income policy that is in keeping with socialist principles of social justice. This means, above all:

-- observance of the principle of "distribution according to work,"
-- the protection of the economically weakest groups, who, for objective reasons, are unable to support themselves by means of their own labor,
-- combating the earning of income without the performance of a sufficient amount of work.

In the socialized economy, especially in the material production sphere, pay raises must be based on higher productivity and an improvement in enterprise economic performance. Good work, which provides better results, should be rewarded accordingly. Clear pay differentials based on the amount and quality of work performed are an essential condition for enhancing the incentive function of pay.

In the nonproductive sphere, the government intends to introduce a uniform, clear system for determining the level of resources available for pay in a manner that bears an appropriate relation to rates in the productive sphere. A partial indexation system will be introduced.

The income policy in agriculture, which has performed well so far, will be continued. The principle of income parity among persons employed in agriculture who are producing good results will be maintained, as will the principle of ensuring that agricultural production is profitable.

Income policy vis-a-vis the nonagricultural sector of the nonsocialized economy will create conditions for increasing the economic activity that this sector engages in with the aim of satisfying public demand. At the same time, more effective steps will be taken -- especially by means of the taxation system -- to combat excessive income that is not justified in terms of the amount of work performed.

An improvement in the material position of persons in receipt of pensions is a key element of income policy during the current 5-year period. The envisaged law on the annual revalorization of pension benefits will be put into effect. To eliminate the old pension system, pensions awarded since the end of 1983 will be gradually increased during the years 1986-90. The number of persons in receipt of pensions will rise significantly by 1990, by about 1 million.

All this means that there will be a significant increase in expenditure on pensions. The per capita income of families in receipt of pensions -- which was 22 percent lower than that of working families -- will equal that of working families by 1988. the preservation of this ratio in the future should be an objective of pension policy.

Guided by the intentions behind the law "On Education in Sobriety and Combating Alcoholism" and taking into account suggestions made by social organizations, the government is of the opinion that prices of alcohol and tobacco should not be included in calculating living costs, which serve as the basis for determining income policy. The current excessive consumption of these products is harmful and socially undesirable. Therefore, measures aimed at reducing consumption of these products win public support.

Exporting and Participation in the International Division of Labor [subhead]

May it please the Sejm! The growth rate in exports and increased participation by Poland in the international division of labor will be of decisive importance for realizing the social and economic goals of the current 5-year period. This is because:

First -- general laws of development show that no country is in a position to effectively satisfy its investment, raw material, energy, and consumption needs by relying exclusively on its own production. We cannot achieve this either.
Second -- our country can make greater use of the potentially great and hitherto insufficiently utilized advantages that accrue from participation in the international division of labor.
Third -- the country's debt problem must be solved. The country's payments situation is still difficult and is a constant factor of uncertainty and strain in our development. We will be unable to solve this problem unless we significantly increase exports.

An increase in exports -- exports should increase by at least 27 percent over the 5-year period -- must be accompanied by far-reaching changes in the export structure. The projected level of production and the scale of domestic needs will not make it possible to increase exports of fuels and raw materials. Thus, the rate at which exports increase will be determined by the level of exports of services and finished goods, which should amount to about 40 percent of exports. We are faced with a task on an unprecedented scale. Changes in the export structure also create an opportunity to improve its effectiveness and reduce its capital- and material-intensiveness in particular. However, this opportunity can only be utilized if there is a definite improvement in standards of quality and modernity and if the range of goods we offer for export can meet the needs of the world market.

In order to achieve the planned growth in exports, it is essential to animate our activity on all markets. Cooperation and goods exchange with the USSR, CEMA countries, and other socialist countries will be most important, as they hve been so far. Let me remind you that the Soviet Union is still rendering us clear aid in the form of credits, and this under more favorable conditions than in the case of Western credits. Our intentions to tighten our relations with the socialist countries possess a solid basis in the form of long-term trade agreements and CEMA programs of economic integration and scientific-technological cooperation. These will be supported by the development of co-production and new forms of joint activity such as direct cooperation between industrial plants, the creation of joint enterprises and organizations, and cooperation between research institutes and design offices. A new impulse for seriously expanding these forms of cooperation has been provided by the latest agreements signed by the premiers of Poland and the Soviet Union -- Zbigniew Messner and Nikolay Ryzhkov.

We also wish to develop economic relations with the capitalist countries. These will largely depend on how our payments problems are solved. We are not altering our oft-expressed stance concerning our payment commitments. We want to regulate them. However, we cannot do so at the cost of limiting the economy's development possibilities and satisfying social needs to a lower degree. If this were to happen, the changes of modernizing the economy and supplying greater work incentive not only in the long term but also in the relatively near future would disappear, thus affecting a growth in exports and consequent repayment of our debts. Hence we believe that it lies in the joint interests of Poland and its creditor countries that economic and financial relations be normalized and that joint activity aimed at increasing Poland's export potential be undertaken. Unfortunately, the still numerous official and unofficial restrictions imposed on our country do not encourage this.

We will cooperate within the IMF and World Bank, seeking ways of using this cooperation in order to solve Poland's development and payments problems.

Goods exchange and cooperation with the developing countries will possess increasing importance in our economic relations. We will aim toward increasing Poland's participation in the industrialization of these countries. We are interested in supplying them with investment resources for their extracting industries and in helping them develop their processing of raw materials.

Our policy governing rates of exchange, supplies of materials, tax concessions, credits, and settling of accounts in foreign trade will be subordinated to the growth of exports and changes in the export structure.

It is envisaged that the zloty exchange rate currently applied to foreign trade will have a more effective influence on the development of exports and rationalization of imports. The system of foreign currency grants as a way of providing enterprises with essential imported goods will be continued and developed. Soon, decisions will be made that are designed to guarantee a smooth cash flow during foreign currency transactions.

A system of foreign country credits aimed at developing our export potential will be expanded. Income tax concessions will also be increased, as well as concessions on extra income earned by exports of high-quality goods. Priority will be given to supplies of materials for the purpose of export production.

All these solutions should make exports and their increase the most favorable path of action for enterprises.

Scientific-Technological Progress [subhead]

Citizen Deputies! Any improvement in management, and especially any fall in the energy- and materials-intensiveness of production, will mainly depend on the rate of scientific-technological progress and the practical implementation of its results. In accordance with the resolutions of the 10th PZPR Congress and Third Polish Science Congress, the material and institutional conditions necessary to accelerate our scientific and technological development and use the results of international cooperation will be improved. It is foreseen that outlay on science and technology during the present 5-year period will more than double the outlay during the last period, and its percentage within the national income will increase from 1.7 percent in 1985 to 3 percent in 1990.

The plan foresees a concentration of resources on the most important research from the point of view of economic needs. This research is described in the central research programs which you have been given, citizen deputies, and which have been formulated with the participation of all relevant milieus -- the Polish Academy of Sciences, educational establishments, the scientific-technological base, and economic units themselves. These programs take into account the broad possibilities of scientific-technological cooperation with the Soviet Union and other socialist countries stemming from the signed long-term scientific and technological cooperation agreements which reach until the end of the century.

A key matter is to make the best use of the resources which will be allocated for science and technology. This will be encouraged by new solutions -- the steady financing of research programs, government orders for the implementation and propagation of the fruits of scientific research, and the possibility of establishing enterprises and research centers dealing with inventions.

However, these institutional solutions merely form an essential legal and organizational infrastructure to support an effective use of resources. In the final run, everything will depend on the activity and decisions of specific scientific institutions and teams and on the attitudes of employees of the economy's scientific-technological base.

What results do we expect from the outlay allocated to the development of science and technology during this 5-year period? Above all, we expect a qualitative and quantitative growth in electronic components and the equipment for manufacturing them, a greater range of artificial materials, more modern building materials, automatic production control systems, industrial robots, and automatic production lines. The production of new types of drugs should commence.

Electronics, together with its various applications in production, domestic appliances, and management of administrative and supply services will be a new part of the economy's infrastructure. Injecting the economy with electronic equipment will permit qualitative changes to the economy and social life. During the present 5-year period, the production of electronic components and integrated circuits will rise by 75 percent. It is foreseen that the number of personal microcomputers and computer applications in all spheres will rise from the present 20,000 to 500,000 in 1990.

As a result of research work and the implementation of its results, the production of many modern new market commodities such as compact disc players, satellite television sets, video recorders, and videocassettes will start.

An Improvement in Economic Management [subhead]

May it please the Sejm! Having in mind an improvement in economic management and especially a decrease in the consumption of energy and materials, the draft NPSG calls for profound alterations to the structure of production and the economy. The nature of the tasks and undertakings involved in these alterations is and must be varied, depending on the economic sphere. Those industrial branches on which improvements in technology and production quality depend will develop considerably more quickly. This applies especially to electronics, control and measuring apparatus, plastics, the chemical industry, tool industry, and insulating materials industry. The most important undertakings in this respect have been contained in the "Program of Undertakings to Stimulate Structural Changes."

In those highly energy and material-intensive industrial branches in which production for various reasons cannot be replaced by imports, structural changes will take the form of new production technologies aimed at improving efficiency and reducing the burden on the environment. For example, these changes will occur in the cement industry by changing over from the wet method to the dry method; in the metal industry by modernizing the Lenin Steelworkers and eliminating outdated steel production lines because of the increased modern production of the Katowice Steelworks; in the cellulose industry by thoroughly modernizing existing plants; and in transportation by electrifying the railroad and modernizing and expanding marshalling yards. The more important undertakings in this sphere have been contained in the "Program of Action to Increase the Efficient Use of Material, Fuel, and Energy Resources" which has been submitted to you, comrades.

All these undertakings will help create the materials base essential for structural changes in the entire country. That is why the government will pay particular attention to them. The performers of these undertakings will be assured of priority access to credits, foreign currency, and materials. Investment undertakings will be covered by government orders whenever necessary.

Creating the conditions behind all these structural changes, the government expects enterprises and scientific research units to use these conditions in order to carry out structural changes within themselves, in other words changes in production technology and production profile and changes to the composition of products. The government expects them to stop producing outdated products in favor of new ones that are less material and energy intensive, possess a higher utility, and can compete on world markets. Such a hypothesis should lie at the roots of the development plans of enterprises.

Investment Policy [subhead]

May it please the Sejm! Investments policy between 1986 and 1990 will be strictly subordinated to the planned social and economic goals. Most of the investment outlay conforms to the socioeconomic development variant selected by the Sejm. We wish to recall that this meanings spending Z10 billion on investments, which is about 24 percent more than during the last 5-ye r period. Such a level of investments, though not permitting the satisfaction of all needs, nevertheless guarantees that all the economic and social goals envisaged in the plan will be reached, and also guarantees that the depreciation of assets on a national scale will be slowed down and permits the production apparatus to be modernized. This investment level is also fesible from the point of view of the potential of the building industry and the availability of machines and equipment of Polish and foreign manufacture.

The draft plan calls for structural changes to investment outlay based primarily on the following:

First -- Investing more on the material production sphere, which is dictated by the need to halt the depreciation of fixed assets and fundamentally modernize them. Even so, outlay on public consumption will remain high and will involve 30 percent of total outlay. It is worth remembering that in 1971-5 this outlay rose by slightly over 22 percent and in 1976-80 by 25 percent.

Second -- Investing less in construction and refitting work, which expresses an aim to modernize existing potential and restrict the construction of new buildings to an essenial minimum.

It is foreseen that the implementation of the investments program during the present 5-year period will increase industrial production potential by about Z2 trillion, of which about Z250 billion applies to the fuel and energy industry, about Z360 billion to the machine industry, about Z370 billion to the chemical industry, and about Z300 billion to the food industry.

It emerges from this that the expected production results will come mainly from the food industry. This agrees with the main path of structural changes in the economy.

Concerning investments policy, assuring adequate financial and material resources for priority undertakings and for improving the efficiency of the investments process is the most important matter.

The chief financial sources of investments in the production sphere will be enterprises' own funds and bank credits. In credits policy, only efficient undertakings guaranteeing a repayment of credits will be considered. In order to increase the size of enterprises' funds to pay for priority undertakings, in other words the development of exports and savings in fuel and materials, concessions will be granted on profits tax and budgetary repayments, and additional central funds will be granted. Enterprises should also make broader use of the possibility of sharing resources used for joint undertakings.

In order to effectively manage the investment process, government orders will be applied to some more important undertakings. At the same time, the government will not increase the size of investments covered by these orders.

An important task, closely connected with investments, is to improve the use of existing production potential. This should be encouraged by:

-- The plan to determine the current price of fixed assets and record these assets and their depreciation costs, which should facilitate the acquisition of replacements,
-- An expansion of the application of state norms governing the use of machinery and the practice of certifying all machines and equipment before they can be used,
-- Continuing preferential conditions for the production of spare parts;
-- Working out, within the framework of one of the central research and development programs, a nationwide system of using fixed assets.

Wherever conditions permit, outdated and inefficient equipment will be replaced by new equipment.

Citizen Deputies! Actual economic-technical conditions only permit us to expect insignificant increases in the supply of fuels and energy in the future. For example, in the case of our basic energy source -- pit-coal -- extraction in 1990 will only be 1.8 percent higher than in 1985. Even this requires serious investment outlay. All in all, possible increases in the supply of fuels and energy to Poland both from Polish sources and from imports are estimated at 13-14 million metric tons of fuel units, whereas in 1971-5 the increases amounted to 26 million metric tons of fuel units and in 1976-80 30 million metric tons of fuel units.

On the other hand, a rise in the economy's energy needs, assuming that energy consumption remains unchanged, is estimated to be 32 million metric tons of fuel units. These figures clearly tell us that if we wish to achieve the planned growth in the national income, we must find ways of saving about 19 million metric tons of fuel units in 1990. This clearly shows us the scale of the savings tasks awaiting us.

The "Program of Action to Improve the Use of Resources" is meant to achieve about half the necessary fuel and energy savings. The remainder of the savings are to be achieved by industrial enterprises, institutions, and households. In order for this to happen, appropriate economic instruments such as prices policy, tax concessions because of investments aimed at reducing fuel and energy consumption, and material incentives for work forces will be applied. Administrative action such as a ban on excessively fuel and material intensive technologies is also foreseen. State norms governing the consumption of fuel and materials will be introduced. The government is also working on proposals to reduce the peak demand for energy.

A realistic view of fuel savings must become a matter of national importance. Apart from consolidating the basic fuel and energy base, conditions will be created for the use of local sources of energy. Such comprehensive activity both for seeking new fuel and energy sources and economizing on their consumption are essential in order to guarantee heating for the population and satisfy the economy's energy needs.

Citizen Deputies! The NPSG takes into account essential outlay on national defense and state security. The plans in this direction have been approved by the National Defense Committee. In this sphere, too, needs will be satisfied on a selective basis according to the country's existing economic possibilities.

Outlay on state defense and security has been kept at a moderate level in relation to outlay on other spheres. This is feasible as long as a rational and economical system of management of resources is employed. It should be stressed at the same time that part of this outlay will bring society and the national economy material and spiritual advantages in the form of a patriotic and professional education for the young generation undergoing its military service, as well as in the form of various types of scientific-technological solutions.

The Qualitative Structure of Work Resources [subhead]

May it please the Sejm! The population structure means that there will be an insignificant rise in manpower during this 5-year period. This makes it essential to make economical and rational use of manpower.

The growing qualifications of working people have to be put to use. In the next 5-year period, the number of workers with secondary education will rise by 1.3 million, as a result of which there will be 7 persons with such an education out of every 10 persons employed in 1990. The qualitative structure of work resources will therefore improve markedly. The point is to find the best way of using it.

The key to doing so lies in the hands of enterprise managements and the workers' self-management bodies. Radical changes in the use of work resources, an improvement in work organization, and the elimination of inefficient structures and bureaucratic appendages should be encouraged by a review of organizational structures and certification of jobs. An increase in productivity should be encouraged by the propagation of the brigade system of work, partnership groups, and factory economic teams.

The government will permit greater professional activity. One of the ways of doing so will be to enable pensioners to earn money, and create more workplaces in the publishing industry, especially for women. If necessary, the work would be part-time. The use of these possibilities requires the energy of regional authorities, enterprises, and cooperatives. This creates a chance of solving the practical problems of enterprises, and especially of expanding small-scale production and services to the population.

The government believes that there should be simultaneous changes in the labor code in order to combat more effectively social pathology, enforce work order and discipline, and reduce unjustified job migration. The proposals in this sphere will be presented to the Sejm in the draft labor code.

May it please the Sejm! The formation of institutional conditions for a balanced and efficient socioeconomic development of the country is the main purpose of the economic reform. Having analysed the reform so far, the 10th party congress confirmed the correctness of its principles concerning the restructuring of the functioning of the economy. The Sejm expressed a similar view recently. The recent period has shown that central economic management by indirect methods is not only possible, but also that these methods, combined with the independence of enterprises and the socialization of the planning and economic management process, help raise social concern for efficient economic management and animate economic units and the work forces.

Therefore, today there is no question of whether or not the reform should be implemented, but how to guarantee its effectiveness. This should be guaranteed by the second stage of the reform, the essence of which is:

-- The restoration of economic equilibrium, especially in the financial and supply spheres;

-- The adjustment of economic parameters, especially prices, rates of exchange, and depreciation;
-- The development of internal cost-effectiveness analyses together with systems of team work;
-- The creation of greater incentives in the form of wages and restructuring the system of collective agreements;
-- Improving organizational structures and adapting them to changing conditions, which will be encouraged by the review of organizational structures throughout the economy;
-- Modernizing the work of central and regional bodies of state administration.

All this activity is designed to propagate a feeling of economic necessity and eliminate inefficient economic units for the sake of the development of socialist enterprise.

The correct employment of these conditions depends to no minor extent on the functioning of the financial apparatus and banking system. Much of their activity has changed for the better. However, this is no longer enough. It is in the interests of society that this apparatus and system should fully perform the function of enforcing efficiency, support the development of efficient economic units by means of credits, help those who want to overcome their weaknesses, and firmly refuse credits to inefficient units. The entire cadre force in charge of the economy must accept this new role of the financial apparatus and banking system.

What should be done in order to implement the second state of the economic reform? First of all, it is essential to:

-- Reduce subsidies paid out of the budget;
-- Balance out the state budget by stabilizing the sources of its income;
-- Considerably reduce rationing of market commodities and investment resources, as well as raw and other materials;
-- See to it that financial results form a yardstick for the efficiency of enterprise.

The government believes the above paths are feasible provided that subsidies for such consumer goods as milk, milk products, and baby foods, plus passenger transportation and housing construction, are kept to low level; total subsidies are reduced by up to 75 percent by 1990; and fixed assets are revalued.

The implementation of all these tasks would permit a 5-6 percent fall in inflation by 1990 and earlier economic equilibrium, resulting in more effective economic mechanisms. However, this would require a faster rise in prices at first, including retail prices.

A delay in adjusting the economic parameters would mean the continuation of two-figure inflation throughout the entire 5-year period, with all its negative social and economic consequences.

Therefore, the following choice posed by the 10th congress stands out with full clarity: quicker or slower.

The government is in favor of quicker action. However, taking the social aspects of this topic into account, the government will submit it for consultations.

Balancing Out the Market, The Struggle Against Inflation [subhead]

May it please the Sejm! The most recent years have shown that however justified wage rises are, they are a major source of inflation if they are not commensurate with economic results. The government intends to take decisive steps in order to contain general wage rises within the limit presented in the plan. [paragraph continues]

With this in mind, suitable solutions have been prepared which are contained in the draft laws presented to the Sejm concerning the functioning of the national economy. The government realizes that the principle of economic necessity will lead to a more rapid rationalization of the internal organization of enterprises and their incentive systems. This process will be backed by the necessary legal-organizational principles and by propagating information about all the possible solutions which can be used. A special role in this process will be assigned to self-management bodies, the managerial cadres, and trade unions. The activity of socioprofessional bodies such as the Scientific Society of Administration and Organization, Polish Economic Society, Chief Technical Organization, and Society of Bookkeepers will be of importance here.

The Increased Energy of Workers' Self-Management Bodies [subhead]

Citizen Deputies! The second stage of the reform also requires a new approach toward enterprise and inventiveness, an increased readiness of cadres to take economic risks, and the seeking of new forms of action.

The economic reform has supplied the broadest range of powers to self-management bodies and managers. We note with satisfaction a constant increase in the energy of self-management bodies in solving the economic problems of enterprises. The training system for aktivists organized on the initiative of the Sejm Self-Management Affairs Commission and the practice of national self-management conferences in the Sejm are providing increasingly better conditions for the activity of self-management bodies. The government will support their development as an important method of participating in the management of enterprises.

The growing energy of self-management bodies should be accompanied by increased enterprise by managers.

For this purpose it is essential to:

-- First, introduce uniform criteria for assessing an enterprise and its manager. One of the chief criteria should be the enterprise's ability to finance its own activity;
-- Second, establish new rules governing the wages of managers, according to which a manager's salary would be divided into a basic component determined by the class of the enterprise, and a supplementary component determined by that enterprise's production figures;
-- Third, clearly define a manager's power to make decisions about an enterprise, with the proviso that where an issue lies within the scope of a self-management body, a manager may only reach a decision after the self-management body has passed a solution.

The above solutions require certain changes to the law governing enterprises. Appropriate proposals are contained in the draft law which has been presented to you.

The organization of activity by enterprises affects economic results and the development of initiative. The government regards it as expedient to create legal solutions permitting flexibility in this sphere.

Enterprises should receive the right to form companies. These would be the most flexible way of solving joint supply, procurement, research-development and export problems, and would permit the development of a joint production and repair base. Appropriate legal proposals are also contained in the draft law concerning changes in certain laws governing this sphere.

While creating the necessary conditions for structural changes, the government believes that all activity should be assessed from the angle of its economic viability and ability to counteract monopolist trends.

May it please the Sejm! Restructuring the economy's system of functioning cannot be merely the concern of specialized government agencies. Experience tells us that it must be a social process supported by the political authorities. The government will strive to preserve the social nature of the reform process and expects the Commission for Economic Reform Affairs, together with its working teams, to continue to play an important role in establishing and implementing solutions.

The government also counts on continued Sejm support for these actions. On its part, the government will prepare annual analyses on the functioning of the economic reform and present them to the Sejm.

The government is considering codifying the whole of economic law and creating a socialist economic code, a process requiring several years. This code would cover areas dealt with by laws and decrees so far, including the prewar rules governing companies, and would remove discrepancies and fill loopholes. The Economic Reform Commission could involve itself in working out the said code. the draft of this code would be submitted for broad social consultation and then presented before the Sejm.

The adoption of the economic code would crown the economic reform in our country and serve to consolidate socialist economic relations.

The Immediate Future Will Decide [subhead]

May it please the Sejm! The years that are left until the end of this decade are a short period from the point of view of economic development. Yet what we achieve during this period will determine Poland's shape on the threshold of two centuries.

The nearest future will determine whether we can keep up with the accelerated social progress of the modern world.

Aware of the great responsibility stemming from this, the government regards it essential to commence a profound restructuring of the economy and a process of orienting it onto a qualitatively new path. Once coal, steel, cement, and sulphyric acid production figures used to be the yardstick of economic progress. Today, this yardstick is the process with which scientific achievements and new technologies and constructions are adopted, progress in electronics and information science, and the competitiveness of Polish goods on world markets. This yardstick is also provided by an efficient system of steering and managing the economy, and this system's conformity with the development of the production forces. The plan maps out a road permitting the performance of these tasks. This road is not easy at all. However, only by following this road can we satisfy the aspirations of our society.

The plan is geared toward a long-term development of the country. This is reflected in the proposals on how to distribute the national income, carry out structural alterations, accelerate scientific-technological development, and take greater advantage of the international division of labor, all this being part of the second stage of economic reform. The realization of these proposals will change the face of our economy and make it qualitatively different, better, balanced, more effective, and capable of meeting the challenge of today.

Increasing our material base is a basis for better satisfying social needs. Meeting the development challenge halfway, the draft plan also foresees an improvement in the standard of living already in the immediate future. The consumption of goods and services will rise by at least 12 percent. The market will function better. Goods will be of better quality and will have a wider range. Almost 2 million families will improve their housing conditions, gaining either new premises or reconditioned ones. The socially inflated problem of the old portfolio of pensions will be eliminated. The real value of the average pension will rise considerably. The level of health care will rise and that of environmental damage will fall. The education base will be expanded and culture made more accessible.

If the joint effort to improve management turns out more successful than we foresee, we will be able to proceed more quickly. The plan imposes no restrictions here. On the contrary, it permits innovation, a development of enterprise, and bold action.

The government is convinced that this national socioeconomic development strategy will gain understanding and active support from the working people. For this is what will finally determine the success in implementing the goals and tasks that have been presented.

Citizen Marshal! May it please the Sejm! On behalf of the government, I move that the Sejm examine and adopt the NPSG for the years 1986-90.

I move that the financial documents that have been presented be examined and the regional budget until 1990 be approved.

I also move that the Sejm examine and adopt the government bill on changes to some laws governing the functioning of the socialized economy.

Thank you for your attention.

BRIEFS

PZPR-WPK COOPERATION -- On 27 October, PZPR Central Committee Secretary Henryk Bednarski received a delegation from the Kim Il-song Higher Party School of the WPK Central Committee, headed by An Tong-yun, the school's deputy director. The subject of the meeting was cooperation between the party educational establishments of the DPRK and Poland. Eugeniusz Mazurkiewicz, pro-rector of the Academy of Social Sciences, also took part. [Text] [Warsaw TRYBUNA LUDU in Polish 28 Oct 86 p 2 AU]

ENVOY TO BRAZIL -- Brasilia, Nov 4 (PAP) -- Poland's new ambassador to Brazil Stanislaw Pawliszewski presented his credentials here today to president of the federal republic of Brazil Jose Sarney. After the ceremony, the Polish ambassador was received by President Sarney at a private audience. [Text] [Warsaw PAP in English 0614 GMT 5 Nov 86 LD]

ISRAELI, PLO DELEGATIONS MEET AT ROMANIAN RESORT

AU061939 Bucharest AGERPRES in English 1925 GMT 6 Nov 86

[Text] Bucharest AGERPRES 6/11/86 -- A meeting between a delegation of the Palestine Liberation Organization and a delegation of the Israeli-Palestinian Dialogue Committee including members of Israel's political parties and social organizations was held at the Romanian Black Sea resort of Costinesti Thursday, November 6. The meeting was attended by Palestinian and Israeli writers, artists, researchers, professors, jurists, journalists and men of letters.

The major public meeting of delegations of the PLO and the Israeli-Palestinian Dialogue Committee of Israel is aimed at contributing to the search for viable solutions that can bring a climate of understanding and security, of peaceful coexistence in the Middle East.

Participants in the debates expressed their satisfaction for having chosen Romania as the venue of the meeting, a country reputed for its dynamic foreign policy put in the service of international peace, disarmament and cooperation, the settlement of conflictual states, of all disputed issues among states by political means.

In context, high appreciation was voiced for the constructive actions and initiatives of Romania, of President Nicolae Ceausescu who has supported all along a global settlement of the Middle East situation, the achievement of a just and durable peace in the area that ensures the Palestinian people the right to self-determination, to independent statehood, and sovereignty and independence to all the states in the region, including Israel.

Romania's permanent efforts were also underscored for the calling of an international conference, under the UN aegis, with the participation of all the countries concerned, including the PLO, the sole legitimate representative of the Palestinian people, and Israel, as well as of the permanent members of the Security Council.

In their addresses, the participants in the meeting underscored that, under the current international circumstances, which allow of a more resolute passage to initiating negotiations with a view to settling the Middle East issues, contacts should expand, as well as sincere and open interchanges of views, all prejudices should be overcome and dialogue should be accepted as an alternative to the perpetuation and deterioration of the conflicting situation in the area. In that respect, they showed that of late, broad social sections in Israel increasingly express their wish to reach understandings conducive to the elimination of the state of tension in the Middle East, which bears negatively both on the situation in the area and on the course of international life. The need was brought to the fore to step up activities for the promotion of peace, detente, confidence and cooperation in the Middle East and worldwide. The meeting and the debates took place in an atmosphere of mutual understanding and esteem.

Fatah Warns Palestinians

AU062136 Paris AFP in English 2126 GMT 6 Nov 86

[Text] Costinesti, Romania, Nov 6 (AFP) -- Twenty-one Israeli pacifists met here Thursday with 21 Palestine Liberation Organization (PLO) officials and vowed at the end of the meeting they would maintain their dialogue "for a just and lasting peace."

The head of the PLO delegation, 'Abd al-Razzaq al-Yahya, a member of the PLO's executive committee, said: "We salute the courageous initiative of the Israeli participants at this seminar."

But the Fatah Revolutionary Council, a PLO splinter group led by the renegade Abu Nidal, in Damascus gave a verbal lashing to the Romanian government for having hosted the event and warned that those who deserted the Palestinian cause "will pay dearly".

The Israeli delegation -- members of leftwing political parties and peace groups who had been warned by their government that they could face charges on their return Friday -- was smaller than the 100 expected.

A spokesman for the Israeli group, Latif Dori, vowed that "no force in the world will stop us from continuing the dialogue."

Mr. Dori, of the left-wing opposition group Mapam, also condemned the law passed last August by the Knesset which banned contacts with "terrorist" groups, including the PLO.

The Israeli spokesman also called for the creation of a Palestinian state alongside that of Israel. The Israeli delegates are thought likely to face demonstrations on their return home Friday. They had been bitterly attacked before their departure for Romania by the far-right anti-Arab Kach party and relatives of Israelis killed in Palestinian attacks.

In Damascus, the Palestinian National Salvation Front -- a pro-Syrian coalition of six Palestinian groups opposed to PLO chairman Yasir 'Arafat -- condemned the meeting.

Spokesman Khalid 'Abd al-Majid said the meeting did "not represent the wishes of our people, but serves the interst of the Zionist enemy which is trying to impose its plans on the Arab nation."

PARLIAMENTARY DELEGATION MEETS FRENCH COUNTERPARTS

AU062021 Bucharest AGERPRES in English 1849 GMT 6 Nov 86

[Text] Paris (AGERPRES), 6/11/1986 -- A third Romanian-French parliamentary debate-meeting was held in Paris, as a Romanian parliamentary delegation, led by Marin Ivascu, Grant National Assembly deputy chairman, chairman of the Romania-France Friendship Parliamentary Group, are on an official visit of friendship to France. Conceived as a further means to enhance the contribution of Romanian and French parliamentarians to the continual strengthening of friendship and close collaboration between the two peoples, the debate-meeting highlighted the role of open and constructive dialogue on joint parliamentary actions to attain that goal.

Held under the patronage of the French Senate president, Alain Poher, the meeting's topic was "the current stage of Romanian-French ties and the ways to boost them". It occasioned a fertile exchange of opinions on the course of bilateral relations on a political, economic, technical-scientific and cultural plane since the last similar event, which was held in Bucharest in 1984.

In their addresses the chairman of the Senate's France-Romania Friendship Parliamentary Group, Jean Puech, and the chairman of the National Assembly Group, Daniel Goulet, outlined the long-standing, substantive and traditional ties between the two countries and peoples. Speaking about the political relations between the two countries, they highlighted the major contribution Romanian-French summitry, as well as parliamentary and governmental contacts made to expanding cooperation between France and Romania in all areas of joint interest, and they stated for the furtherance of dialogue.

The head of the Romanian delegation's address focused on the great significance Romania and President Nicolae Ceausescu attach to broadening and diversifying friendly and cooperative ties with France. Placing emphasis on the decisive role of Romanian-French summit dialogue, which has a positive influence on bilateral links as a whole, the head of the Romanian delegation underscored the importance of that fine experience and of its continuation. He showed that the expansion and diversification of commercial exchanges, the deepening of economic cooperation were a constant concern of the Romanian state, and outlined the growing possibilities of Romania's economy in the context of economic exchanges and cooperation with France. He also enlarged on the steps taken by the Romanian side to impart greater consistency to scientific and cultural exchanges between the two countries. Stress was laid on President Nicolae Ceausescu's initiatives on questions related to world peace, understanding and collaboration, for the achievement of nuclear and conventional disarmament, as well as on the significance of the recent law passed by the Grand National Assembly concerning Romania's unilateral, five-percent reduction of its arms, troops and military spending and the consultation of the people in that respect in a referendum. During the debates that followed, members of the Senate and deputies approached questions related to deepening ties on a political, economic and cultural plane between the two countries.

CEAUSESCU SENDS MESSAGE TO NEW MOZAMBICAN LEADER

AU062102 Bucharest SCINTEIA in Romanian 5 Nov 86 p 6

[Message from Romanian President Nicolae Ceausescu to Joaquim Alberto Chissano on his election as new Frelimo chairman and president of the People's Republic of Mozambique]

[Text] To Comrade Joaquim Alberto Chissano, Chairman of the Frelimo [Mozambique Liberation Front] Party and President of the People's Republic of Mozambique, Maputo:

On your election as chairman of the Frelimo Party and president of the People's Republic of Mozambique, I extend to you warmest congratulations and best wishes for success in fulfilling the high functions entrusted to you.

Particularly valuing the relations of friendship, solidarity, and cooperation between our parties and peoples, relations which have registered a continuous development after the People's Republic of Mozambique has gained its independence, I express the conviction that these ties will further strengthen in the future, to the benefit of the Romanian and Mozambican peoples and in the interest of the cause of peace, freedom, national independence, and understanding among all states in the world.

I wish you much personal health and happiness as well as peace, progress, and prosperity to the friendly Mozambican people.

Nicolae Ceausescu, RCP secretary general and president of the SR of Romania.

USSR LEADERS CABLED ON OCTOBER ANNIVERSARY

Mikulic Greets Ryzhkov

LD061334 Belgrade TANJUG Domestic Service in Serbo-Croatian 1159 GMT 6 Nov 86

[Text] Belgrade, 6 Nov -- Branko Mikulic, president of the Federal Executive Council, has sent a message of best wishes for new success in the development of the Soviet Union and for the well-being of the friendly Soviet people to Nikolay Ryzhkov, chairman of the USSR Council of Ministers, on the occasion of the Great October Socialist Revolution anniversary.

The message expresses the conviction that in view of major results achieved in the preceding period in the development of friendly relations and comprehensive and mutually advantageous cooperation and the efforts that both sides have been making to this end, Yugoslav-Soviet relations will continue to develop successfully in the interests of the peoples of the two socialist countries, peace and general progress in the world.

Hasani Greets Gromyko

LD062311 Belgrade TANJUG Domestic Service in Serbo-Croatian 1513 GMT 6 Nov 86

[Text] Belgrade, 6 Nov (TANJUG) -- On the occasion of the 69th anniversary of the GOSR, Sinan Hasani, president of the SFRY Presidency, has sent a telegram to Andrey Gromyko, chairman of the USSR Supreme Soviet Presidium, on behalf of the SFRY Presidency, with cordial greetings and best wishes for the welfare of the friendly Soviet people.

U.S.-SFRY COOPERATION TALKS TO RESUME 12-13 NOV

LD061547 Belgrade TANJUG in English 1526 GMT 6 Nov 86

[Text] Belgrade, Nov 6 (TANJUG) -- Deputy Yugoslav Foreign Secretary Budimir Loncar and Deputy U.S. Secretary of State John Whitehead are to confer November 12-13 on the current matters of direct concern for their countries -- Foreign Secretariat Spokesman Stanic told a news conference here today.

The spokesman said Whitehead's visit to Yugoslavia would resume the two countries' dialogues and cooperation. He stressed that their relations were unwinding [as received] on the well-known principles of equality, non-interference, and mutual respect.

BOJANIK DISCUSSES EXPORTS, RELATIONS IN BONN

LD070018 Belgrade TANJUG in English 1857 GMT 6 Nov 86

[Text] Bonn, November 6 (TANJUG) -- If, due to E.C. countries' protectionist measures, Yugoslavia proves unable to increase its exports to hard-currency markets and is compelled further to restrict its own imports, the Federal Republic of Germany exports will also be affected, as Yugoslav parliamentarians pointed out in a talk with state minister in the Bonn Foreign Ministry Litz Stavenhagen here yesterday evening.

The Yugoslav parliamentary delegation, headed by President of the Assembly of Yugoslavia Chamber of Republics and Provinces Milenko Bojanik, discussed at the Bonn Ministry also a credit to be approved by the European Investment Bank to Yugoslavia for the construction of motorways, linking Western Europe with Greece and the Middle East. The credits are to be approved by the European Investment Bank.

In the talks held today with Bundestag President Philipp Jenninger, Milenko Bojanic spoke about the new laws being prepared with a view to further improving the country's economic system.

Jenninger characterized the relations between the two countries as very good and paid recognition to Yugoslavia's non-aligned policy and "decisive role in maintaining stability in the Balkans". He placed special emphasis on Yugoslavia's "intermediary role" in East-West relations.

MAMULA CONCLUDES 3-DAY VISIT TO BRITAIN

LD061330 Belgrade TANJUG Domestic Service in Serbo-Croatian 1219 GMT 6 Nov 86

[Text] London, 6 Nov (TANJUG) -- The final round of talks between Admiral of the Fleet Branko Mamula, federal secretary for National Defense, and British Defense Secretary George Younger which took place this morning marked the end of Adm Mamula's 3-day official visit to Great Britain's Armed Forces.

In the course of the visit the federal secretary for national defense had talks with his host George Younger; British Foreign Secretary Geoffrey Howe; Fleet Admiral John Fieldhouse, chief of the Defense Staff; and Admiral William Staveley, chief of the Naval Staff and First Sea Lord.

The Federal secretary for national defense also visited British armed forces units, the British Aerospace aircraft industry, and the Rolls-Royce engine manufacturer.

In his talks with British Defense Secretary Younger and the head of the Foriegn Office, Howe, Adm Mamula exchanged views about the military-political situation in the world and about the efforts being invested by international elements to enhance international confidence and bring about disarmament both in Europe and further afield. Attention was also focused on military-economic and technological cooperation between Yugoslavia and Britain which has been developing successfully for a number of years to mutual advantage. Both sides stated with satisfaction that friendly relations and cooperation between the two countries, based on the principles of mutual respect and equality and which enjoy a long tradition, are developing successfully in all spheres.

Admiral of the Fleet Branko Mamula, federal secretary for national defense, invited British Defense Secretary George Younger to visit Yugoslavia. The invitation was accepted with pleasure.

MILOSAVLJEVIC RECEIVES PRC ECONOMY MINISTER

LD070009 Belgrade TANJUG in English 1737 GMT 6 Nov 86

[Text] Belgrade, November 6 (TANJUG) -- Yugoslav Vice Premier Milos Milosavljevic today received Deputy Chinese Minister of Economy Yuan Baohua with whom he discussed ways to promote the two countries' economic cooperation and increase the overall volume of trade.

The discussion particularly focused on the construction of a railroad in China by Yugoslav enterprises. An agreement on this was reached during the visit of Chinese Premier Zhao Ziyang to Yugoslavia. Greater participation of Yugoslav enterprises in the reconstruction of Chinese enterprises was discussed also.

It was assessed that prospects are good for increasing industrial cooperation, as well as cooperation in science and technology.

Yuan Baohua heads a Chinese delegation at a conference of Yugoslav and Chinese economists which starts in Ljubljana tomorrow.

ZARKOVIC ADDRESSES ARGENTINE CP MEETING

LD071023 Belgrade TANJUG in English 2025 GMT 6 Nov 86

[Text] Buenos Aires, November 6 (TANJUG) -- The recent U.S.-Soviet summit in Reykjavik has confirmed the necessity of an even greater engagement of all peoples and states and all peaceful and democratic forces in the world to halt the arms race and prevent its extension into the outer space, to ban nuclear tests and achieve total disarmament, League of Communists of Yugoslavia (LCY) Presidency member Vidoje Zarkovic said today, addressing the 16th congress of the Communist Party of Argentina.

Zarkovic characterized as "a great incentive to this struggle" the Eighth Non-aligned Summit held in Harare in September. The Harare summit underscored the full gravity of the crisis of international economic relations and manifested the full awareness of the non-aligned and developing countries that the battle waged at the economic level is decisive also in terms of their national independence and in terms of their paths of development.

Stressing that Latin American countries had significantly contributed to the Harare summit's success, Zarkovic expressed the conviction that the summit would spur an even more decisive struggle for democratic transformation in Latin American countries still ruled by military-dictatorial regimes.

Conveying the deep concern of Yugoslav communists over the situation in the world, Zarkovic said a solution to the global crisis of international relations was possible through an equality-based dialogue of all countries, primarily under the auspices of the United Nations.

Emphasizing that Yugoslavia welcomed the restoration of democracy in Argentina, Zarkovic said the two countries, despite the geographical distance dividing then, were linked by a traditional friendship, to which large numbers of Argentines of Yugoslav descent contribute.

Zarkovic expressed satisfaction with relations between the League of Communists of Yugoslavia and the Argentine Communist Party, and said they were developed on the basis of the principles of equality, autonomy, and non-interference and in the interest of world peace.

SIGNALS FROM ALBANIAN CONGRESS DEEMED 'UNCLEAR'

AU061623 Belgrade POLITIKA in Serbo-Croatian 5 Nov 86 p 3

[Risto Bajalski article: "Unclear Signals From Tirana"]

[Text] Yesterday we published excerpts from Ramiz Alia's speech at the Ninth AWP Congress, including the parts which refer to Yugoslav-Albanian relations. This corresponds to our openness, our lasting desire that everybody knows what is happening in the world as well as in our immediate neighborhood. [paragraph continues]

In this concrete case we would not remain indifferent about how the top party leader of Albania sees the possibilities for the good neighborly relations of his country with Yugoslavia, and we must confess that on this occasion too the message from Tirana are insufficiently clear to us. We would welcome with pleasure the expressed wish that Albania has "normal and friendly relations" with Yugoslavia but are restrained from that by unfounded accusations expressed by the first man of the AWP, as well as by the attempts to interfere in our internal matters that have not been abandoned yet.

We noticed in Ramiz Alia's speech a series of irreproachable statesmanlike views, such as for instance his position that "normal, friendly and goodneighborly relations" between Albania and Yugoslavia "would serve mutual interests and be useful for peace and security in the Balkans." This has certainly always been and still is our view. There is no need to remind anybody of the proof of it. This proof is constant and eternal in our policy toward Albania. We are perplexed by the fact that Ramiz Alia unfoundedly accuses "Belgrade" as if it almost did not respect "historic realities," in other words, the independence, sovereignty, and national identity of Albania. Of course, the speaker could not substitute this and other accusations with arguments, and therefore one can conclude that the reasons for mistrust toward Yugoslavia can be sought and found only in Tirana. This is understandably a political job which can only be done by the Albania leadership.

"We have never interfered in Yugoslavia internal affairs," Ramiz Alia said, among other things. We could welcome this as a declaration of intent for the time to come, but not as the reality of the past or present, because the main speaker at the AWP congress on this occasion is proving the opposite once again. "We have always opposed Yugoslav self-management," said Alia. We could only be amazed by this "opposition"! It should be clear to everybody in Tirana that Yugoslav self-management does not in any way concern Albania. The whole world knows that this is solely a Yugoslav matter. As far as socialism is concerned -- and we must remind people about this without false modesty -- historically we were the first protagonists of the view that the roads to socialism can only be different. By the way, we also would like to see Albania build its socialism in its own way, which will be the Albanian way for Albanians in Albania only.

However, Ramiz Alia did not spend time on only this understandable "opposition" to Yugoslav self-management. Following the inherited policy he assumed the role of a "protector" of Albanians in Yugoslavia, in other words of "their rights" and, objectively speaking, encouraged separatist aspirations in Yugoslavia, claiming that in our country "Albanians are denied national and democratic rights." In accordance with the truth, it would be natural to hear the diametrically opposed acknowledgement: that Albanians in Yugoslavia enjoy full equality in everything. Instead of that, we are the witnesses of political carelessness whose real name is interference in our international affairs.

After everything, Alia also said the following: "If the people in Yugoslavia start to think about Albania and Albanians in a different way, and if they want to live in peace and friendship, they will find in our country ready partners for cooperation." This is knocking on an open door. We have always been ready for cooperation, under one condition: only if Tirana stops the proved interference in Yugoslavia's internal affairs.

FEC SESSION EXAMINES KOSOVO EMIGRATION

LD070033 Belgrade TANJUG Domestic Service in Serbo-Croatian 1643 GMT 6 Nov 86

[Text] Belgrade, 6 Nov (TANJUG) -- At today's session presided by Branko Mikulic the FEC examined and adopted a report on the implementation of the conclusions of the Federal Chamber on the emigration of the Serbs and Montenegrins from the SAP of Kosovo under duress. The report will be submitted to the SFRY Assembly.

Proceeding from assessments on the continuing emigration of the Serbs and Montenegrins under duress and on the calculated activity of irredentists, with regard to creating a feeling of insecurity which encourages emigration, the FEC came to a conclusion that competent federal organs ought to intensify cooperation with corresponding organs in Serbia and Kosovo, to ensure the implementation of the tasks resulting from the SFRY Assembly conclusions. It is also necessary, in keeping with constitutional and legal authorizations, to consolidate broad social control, supervision and mutual coordination, particularly with regard to the implementation of legality, protection of constitutional rights and freedoms of citizens, equality of all the nations and nationalities, as well as greater efficiency and accuracy in the work of legislative and other state organs. Here one must bear in mind the presently still numerous cases of lawsuits being dragged out, criminal charges rejected, criminal proceedings abandoned, and similar things. A prerequisite for this is more effective social action, especially in Kosovo, aimed at undertaking vigorous measures against all the individuals and institutions who, with their work and behavior, do nothing to eliminate irregularities, but on the contrary, contribute to the creation of mistrust and intolerance and are inconsistent in the struggle for the realization of the established policy and tasks aimed at eliminating the causes of emigration.

Bearing in mind the economic underdevelopment of Kosovo and the fact that economic reasons and failure to ensure employment also affect the process of emigration to other parts, measures of economic policy will encourage the acceleration of economic development by means of pooling labor and resources with organizations throughout the country, especially by building production halls in places with the highest rate of emigration.

The FEC decided, at one of the next sessions, and together with representatives of Serbia and Kosovo, to examine more closely the long-term strategy of Kosovo's economic and social development, proceeding from the fact that the available resources should be invested as rationally as possible, thus creating as favorable as possible chances for the employment of this province's dense population.

The FEC examined and adopted a report on putting into effect the regulations in the sphere of economic relations with foreign countries. The council noted that numerous difficulties have been manifested in this process, but that despite this, reproduction was normal this year and foreign debts have been paid with regularity. Hence there is no need to propose any more radical changes in the law on foreign exchange transactions. The ones that were established at today's session of the FEC refer to provisions which are not proved in practice.

The amendments and addenda to the law envisage, for the sake of carrying out export programs, a possibility of increasing socially-recognized reproduction needs in those organizations of associated labor whose exports are higher than imports, as well as in the ones whose imports are higher than exports, providing the exports were banned or restricted in these organizations. Also established was a method for calculating, increasing, reducing and using socially recognized needs. Corrections will be worked out on the basis of a reduction of increase in the exports achieved in the current as compared to the previous year.

This law was coordinated with the one on the exchange of commodities and services with foreign countries, in such a way that the base for calculating socially recognized reproduction needs will not include commodities which are exported as a foreign investment in a domestic organization of associated labor.

Penal provisions will be more severe for all the organizations of associated labor, authorized banks, individuals and civilians breaking the law on foreign exchange transactions.

KOSOVO OFFICIAL VLASI RESPONDS TO CRITICISM

AU051817 Belgrade BORBA in Serbo-Croatian 30 Oct 86 p 4

[Excerpts] Pristina, 29 Oct (TANJUG) -- Azem Vlasi, president of the Presidium of the Provincial Committee of the LC of Kosovo, stated today that the essence of his speech at the recent session of the Communal Committee of the LC of Pristina was to draw attention of a certain number of intellectuals and other distinguished Serbs and Montenegrins to the fact that it is brave and patriotic to stay in Kosovo instead of leaving and then moaning about the fate of those who have stayed there.

Azem Vlasi stated this in an explanation which he sent to the TANJUG Editorial Office for the Socialist Autonomous Province of Kosovo. [passage omitted]

"The essence of one of my statements was to express my dissatisfaction because a number of intellectuals and other distinguished Serbs and Macedonians, especially those who are LC members, emigrate without any great pain or trouble, and then these same people moan about the fate of Kosovo and the fate of the Serbs and Montenegrins in Kosovo. Well, I said that these people were cowards, because I really think that it is brave and patriotic to stay with the people, to face the problems, and not to run away from them and then moan, and that it is necessary together with ethnic Albanian Communists and others here to wage a struggle to stop emigration.

"Perhaps it was irresponsible toward the public that I did not speak up earlier to explain what I really said, or rather what was the essence of my speech at that gathering, but I could not believe that my thoughts could be so badly interpreted and brought up and repeated several times at various places. I believed and still wish to believe that the public at large will not get an impression about all my positions, premises, and strivings on this complicated problem on the basis of a statement made in a discussion, which was torn out of the context and wrongly interpreted."

ASSEMBLY PASSES SERBIAN CRIMINAL CODE EXPANSION

AU051914 Belgrade POLITIKA in Serbo-Croatian 16 Oct 86 p 1

[Text] At their session held yesterday, the delegates of the Serbian Assembly passed a resolution according to which the Criminal Code of the SR of Serbia will deal with three additional crimes: violence which imperils the freedom and rights of the citizens and the members of other peoples, nationalities, or ethnic minorities; special forms of endangering the freedom and rights of citizens belonging to other peoples, nationalities, and ethnic groups; and endangering the security of citizens belonging to other peoples, nationalities, or ethnic groups by sexual assault. The additions to the Criminal Code of the SR of Serbia were suggested on the basis of Article 300 Paragraph 1 Point 3 of the Constitution of the SR of Serbia.

The law was passed by a majority vote.

TU LEADERSHIP OPPOSES LEGALIZING STRIKES

AU051925 Belgrade BORBA in Serbo-Croatian 15 Oct 86 p 3

[Slavko Curuvija article: "A Strike -- Only If Necessary"]

[Excerpts] The number of strikes continues to grow. However, this "continues" this year somehow has a different meaning than it had last year. In the first half of 1985 there was an increase of 86.3 percent in relation to the same period in 1984, while the increase in the first 6 months this year in relation to the first half of the last year is "only" 12.3 percent. Or expressed in absolute terms, the Federation of Trade Unions registered 383 strikes or work stoppages in the first 6 months this year. In them, 38,474 workers took part, which is less than 0.6 percent of the total number of people working in the social sector. However, in comparison with the same period last year this number is 53 percent greater. [passage omitted]

The Politicization of Conflicts [subhead]

What is the attitude of the leadership of the Federation of Trade Unions toward these facts? First of all, it does not see them as elemental catastrophes, but expects them. It was finally realized that various conflicts will continue to arise and that they will be partly dealt with in the usual manner but that there will still be new work stoppages. This is why the leadership is of the opinion that a unified attitude should be developed toward them. [passage omitted]

In any case, the trade union leadership is hindered by the excessive politicization of conflicts and attempts which have been made "in the past few months" to give strikes the place and content "which in our system they cannot objectively have." The Federal Trade Union leadership also disagrees with requests that strikes should be legalized as the "right" means of the working class struggle. It considers that to be a solution of other systems "where the strikes are used as the ultimate and the only effective means of achieving the rights and interests of the working class in their relations toward the owners of the means of production." [passage omitted]

BRIEFS

AMBASSADOR TO DENMARK -- Copenhagen, 6 Nov (TANJUG) -- Ana Jovanovic, newly appointed ambassador extraordinary and plenipotentiary of the SFRY to the Kingdom of Denmark, today presented credentials to Queen Margrethe II of Denmark. In a short unofficial conversation, both sides noted the traditionally good friendly relations between the two countries; both said they would devote a great deal of attention to their further development. [Text] [Belgrade TANJUG Domestic Service in Serbo-Croatian 1651 GMT 6 Nov 86 LD]

OCTOBER INFLATION RATE -- Last month's inflation was 90.3 percent. In other words, October retail prices were that much higher in comparison with October last year. September inflation was 94.4 percent, and this fact indicates that the inflation rate has slightly declined. This is also seen in the fact that, in comparison with September, October retail prices rose by 6.8 percent. Last month's increase in retail prices was due, for the most part, to higher electricity prices and the increase in the prices of edible oil, sugar, fresh fruit and vegetables, textile, footwear, transport in some parts of the country and of some other products and services. [Text] [Zagreb Domestic Service in Serbo-Croatian 1400 GMT 5 Nov 86 LD]